

FBIS

DAILY REPORT

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Vol VI No 036

22 February 1985

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MINISTRY DECLINES COMMENT ON UK ANNOUNCEMENT

PY212112 Buenos Aires TELAM in Spanish 2053 GMT 21 Feb 85

[Text] Buenos Aires, 21 Feb (TELAM) -- The Argentine Foreign Ministry has no comment to make on the British Government's announcement that it will not lift the exclusion zone around the Malvinas archipelago, official spokesman Albino Gomez stated this afternoon. When the official was asked about the dissemination of a so-called white paper by the British Foreign Office, Gomez answered again: No comment.

DEPUTY DISCUSSES TALKS WITH BRITISH MP'S IN U.S.

PY212352 Buenos Aires DYN in Spanish 1807 GMT 21 Feb 85

[Excerpts] Buenos Aires, 21 Feb (DYN) -- Federico Storani, president of the Chamber of Deputies Foreign Relations Committee, today revealed in Washington that the talks he held there with British MP's on the Malvinas issue have led to "positive agreements in the field of sovereignty." However, he did make it clear that most British legislators and especially the London government are still maintaining an inflexible position.

Speaking to DYN by phone, Storani announced that a document signed at the end of the 3-day meeting sponsored by the University of Maryland will be released in 10 days. He indicated that copies of the document will soon be sent to both the British and Argentine Governments and that it does not mention the possibility of leasing the islands. Storani made it clear that "the document will include nothing revolutionary on the issue in question." Asked about further negotiations of this type, in which Storani participated along with Peronist Senator Julio Amodeo and former Radical Minister Juan Manuel Casella, Storani said that it is probable that a fourth round of talks will be held in the future and stressed that "the effort is worth it because they are changing their minds."

The Radical deputy later said that the British Prime Minister Margaret Thatcher's remarks to the U.S. Congress to the effect that her government reaffirms British sovereignty over the archipelago and will not lift the exclusion zone under any circumstances had no influence on the talks between the lawmakers and were not even discussed.

Storani, who for 2 days participated in a number of informal meetings aimed at finding a formula for understanding in the Malvinas conflict, told DYN that the document drawn up with the British MP's will soon be "delivered to our respective governments, whereupon we will be free to discuss its contents." He went on to announce that the final communique "will disclose positive proposals" and he made it clear that "when we say positive, we mean positive in the field of sovereignty."

Upon being asked about the leasing of the islands as an option for an agreement, Storani explained that no specific mechanism was discussed during the talks while the door was left open for any solution, "as long as it provides for the principle of sovereignty."

Storani warned that even though "the number of parliamentarians who are adopting a flexible position is growing, they do not have the majority yet."

Speaking about the attitude of the London government, Storani said that Thatcher's policy is "aimed at satisfying domestic needs rather than at facing reality."

NEW YPF HEAD TAKES OFFICE; ENERGY CHIEF COMMENTS

PY212002 Buenos Aires Domestic Service in Spanish 1600 GMT 21 Feb 85

[Excerpt] Government Oil Deposits [YPF] President Rodolfo Otero has assumed office. Our commentator Eduardo (Gragia) was there and recorded the following interview with Energy Secretary Conrado Storani, who presided over the installation ceremony held shortly after 1200 at YPF headquarters in Buenos Aires. Let us listen to the interview with Conrado Storani:

[Begin recording] [(Gragia)] What does the change in the YPF leadership mean to you?

[Storani] Well, we have decided to start a new era in the YPF. We will restructure the enterprise with a different setup, seeking a new status. I would not dare to say it will be a revolutionary status, but that is what is being sought.

[(Gragia)] Of course.

[Storani] This means that the country will stop being an oil importer. Our country imported oil until 1984. We have now become self-sufficient, and in addition we have turned into exporters of oil by-products, besides being self-sufficient. Therefore, the situation is completely different from the one the country has been used to thus far. [end recording]

ISABEL PERON RESIGNS AS JUSTICIALIST PRESIDENT

PY211430 Buenos Aires TELAM in Spanish 1413 GMT 21 Feb 85

[Text] Santa Fe, 21 Feb (TELAM) -- Jose Maria Vernet, governor of Santa Fe Province and first vice president of the Justicialist National Council (official faction), has confirmed to TELAM that Isabel Peron has resigned as head of the Justicialist movement. Vernet said that she tendered her resignation on 4 February.

Resignation Letter Read

PY212117 Buenos Aires TELAM in Spanish 1608 GMT 21 Feb 85

[Text] Buenos Aires, 21 Feb (TELAM) -- The text of Maria Estela Martinez de Peron's letter of resignation as head of the Justicialist Party, which Magdalena Alvarez de Seminario delivered here to the official and dissident factions, was disclosed in congress at noon today. The following is the text of Mrs Peron's letter:

"Madrid, 4 February 1985. Messrs members of the Justicialist Party Oraldo Britos, Olga de Flores, Jose Manuel de la Sota, Lorenzo Miguel, and others:

"I hereby place my irrevocable resignation as president of the Justicialist Party at the party's disposal, voicing my hopes that your difficult and responsible task may be crowned with the greatest of success. May God bless you.

"Yours faithfully." Signed by the former president.

GRAIN EXPORT FIGURES RELEASED; USSR MAIN BUYER

PY212149 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2315 CMT 20 Feb 85

[Text] Buenos Aires, 20 Feb (NA) -- The Soviet Union remains the main purchaser of Argentine grains, importing 34 percent of the total exported during 1984, which amounted to 20,640,882 tons. The Soviet Union purchased a total of 7,035,632 tons, including 2,862,609 tons of fine wheat, 2,089,071 tons of sorghum, 1,909,120 tons of corn, 148,987 tons of soybean, and 25,845 tons of oats. The breakdown of the total of exports is as follows: fine wheat, 35.2 percent (7,268,527 tons); corn, 29.9 percent (5,558,404 tons); sorghum, 20.5 percent (4,236,008 tons); and soybean, 15 percent (3,100,173 tons), among other grains. Iran was the second most important purchaser during 1984 with 1,905,092 tons, which were made up mainly of wheat and corn. The Netherlands followed with 1,307,613 tons, which were mainly made up of soybean: 1,119,183 tons. Japan, which purchased 1,281,363 tons, made its traditional important purchase of sorghum (1,178,800 tons). Brazil was the main Latin American purchaser. It bought a total of 1,133,226 tons, mainly fine wheat. Spain purchased significant amounts of corn and sorghum, while Italy purchased corn and soybean, among other grains.

The Soviet Union was also the main purchaser of grains during December 1984, when it bought 54.9 percent of the 419,448 tons that were sold during that month. Moscow purchased 119,305 tons of wheat, 86,134 tons of sorghum, and 25,108 tons of corn, totaling 230,547 tons, during the month of December. Brazil was the second most important purchaser with 17.6 percent of that tonnage, importing 74,223 tons.

Rosario was the most active port during 1984, with a total of 28 percent of the grains leaving through that port; Bahia Blanca was in second place with 21.90 percent; Buenos Aires was third with 14.36 percent; and San Lorenzo fourth with 10.88 percent. The highest amount of wheat was exported through the port of Bahia Blanca, followed by Quequan and Rosario. A total of 1,708,738 tons of corn were exported through the port of Rosario and 1,311,491 through the port of Buenos Aires. Regarding sorghum, the most active ports were those of Bahia Blanca and Rosario, and regarding soybean the most important amount was exported through Rosario (1,755,001 tons).

REPORT CLAIMS PUBLIC SECTOR WAGE FALL IN 1984

PY172020 Buenos Aires BUENOS AIRES HERALD in English 17 Feb 85 p 13

[Text] (NA-DYN) -- Labour unrest ranged from Mar del Plata yesterday while a study by the ATE [Association of State Workers] state workers' union claimed public employees' wages fell behind by more than 15 percent in 1984 and further behind still last month. Wages in the public sector rose by between 656.5 and 673.7 percent as against a 1984 inflation rate of 688 percent, the study said, with the worst shortfall arising in the last quarter of the year "after the agreement with the international banks."

ATE called for a 24-27 percent wage hike in order to achieve the six percent real wage increase promised for last year by the government. The union also criticized the 1985 draft budget for specifying zero growth in public-sector real wages this year.

The 48-hour strike called yesterday by lifeguards was in search of job security. It was immediately declared illegal by General Pueyrredon City Hall, which called for volunteers. The CTERA [Confederation of Education Workers of the Argentine Republic] teachers' union urgently requested a meeting with the Federal Education Council, warning that failure to meet their wage demands could delay the resumption of classes on March 11. Calling for immediate wage improvements in the provinces of Santiago del Estero, Formosa, San Luis and Salta in particular, they also confirmed their "state of alert."

In other labour news, CGT [General Federation of Labor] Secretary-General Ramon Baldassini won 70 percent of the poll in his section of FOECYT postal workers' union, it was revealed on Friday night.

LA PRENSA ON DISAGREEMENTS IN FOREIGN MINISTRY

PY192245 Buenos Aires LA PRENSA in Spanish 15 Feb 85 pp 1, 7

[J. Iglesias Rouce commentary: "Signals"]

[Text] In 1 year Foreign Minister Caputo has been able to get rid of the two main aides appointed by Alfonsin to the Foreign Ministry: Mr Gobbi and Mrs Elsa Kelly. These two aides have always had great differences with the minister about the two basic Argentine foreign problems: the southern conflict and relations with the United States. Let us say in general terms that Gobbi has been, and perhaps he continues to be in his embassy in Madrid, a supporter of a quick rapprochement with Washington and NATO while Mrs Kelly wanted, on the contrary, a greater withdrawal whether it was over the Malvinas (and even the Beagle) or Central America. Gobbi only had in his favor an old and worn friendship with the president, whom he advised for years on international matters in addition to helping the Renewal and Change Movement to open one of its first offices in Buenos Aires.

Elsa Kelly, who is as professional as Gobbi although much more of a nationalist than an internationalist, supported Alfonsin for a long time in the Foreign Ministry, and during the last stage of the Alfonsin race for power she became one of his closest advisers. For example, Kelly is responsible for the loud condemnation of the U.S. invasion of Grenada in October 1983 which the president made days before the elections. The former secretary of foreign relations also enjoyed significant political support, including the support of the Radical Party Coordinating Board. This support, along with other things, allowed her to continue at San Martin Palace despite her strong and continuous confrontations with Caputo, which began to take place from the very instant, and even before, the foreign minister was appointed.

In that situation of permanent dispute, which for other reasons she also maintained with Gobbi, Mrs Kelly obtained the support not only of the Radical Coordinating Board (quite threadbare in the last few months) but also of the ministry's "staff" because Caputo was and continues to be an outsider at the ministry. This is why Mrs Kelly, a good friend of Costa Mendez and one of his trusted aides during the Malvinas war, brought under her umbrella very different and extreme professional and ideological groups. At that stage the confrontations became unbearable. This is why last January when I reported in this column the appointment of new ambassadors, I predicted that Kelly would possibly be sent to the United Nations or the OAS. There is now talk that she will become involved in the national political life, a possibility that cannot be discarded especially if her versatility is kept in mind, a versatility that allowed her to reach one of the highest positions in the Foreign Ministry despite the patriotic fervor she showed in 1982 when Alfonsin was one of the few civilian leaders who, in the intimacy of the Radical Party National Committee, was against the 2 April operation. If Kelly goes to the United Nations, Mr Muniz will become a firm candidate for the Brazilian Embassy. Therefore, there would be even more changes in key areas of our foreign service.

As is logical, the resignation of this controversial diplomat prompts the most varied speculations regarding foreign as well as domestic policy. In the first place, there are always those who believe that Kelly's exit from the Foreign Ministry, at least from the new Foreign Ministry building, reveals a certain decline of the Coordinating Board or of other anti-American factions within the government, and even foretells more exits, including that of Mr Grinspun himself, who is also supported by the members of the Coordinating Board.

Without excluding the prospects of such dismissals, which we were the first to predict (although we did point out the president's hesitation, and even his desire to only carry out minor changes now, such as the replacement of Mr Lacerca or Mrs Kelly and leave the major changes for April or May), we prefer to question, for the time being, the decline of that rabid "anti-Yankeeism," or better still, the loss of the president's support.

We believe that in a short time a transfer of power, at the most, from one sector to the other within the Alfonsin-led faction will take place, but this will be to the detriment of ideological aspirations or government policies which the aforementioned sectors represent, headed by the Coordinating Board. As a consequence, the transfer could give the feeling of a change of course in some government areas, but each one of those various groups, which today represent the bases of Mr Alfonsin's internal power, or of the contradictory political currents which the president intends to represent (and he intends to do so, so to speak, in a very deliberate manner), will remain untouched. In sum, if the Coordinating Board, which has always taken the path of "socialism" and anti-American nationalism, loses power in one front it will only be to win it in another and vice versa.

In the second place -- or in the first -- others believe that Mrs Kelly's demise has come to confirm the speculations which some allegedly "well informed" circles have been circulating regarding an imminent change of policy toward the United States, especially regarding Central America. In fact, Mrs Kelly never concealed her sympathy for the Sandinists -- although there is a lot to be said about this issue -- nor her "intransigent" stance regarding Great Britain during the Malvinas war, nor even her reticence -- also the reticence of the Coordinating Board -- regarding the Beagle agreement and the "dialogue" with Chile.

However, it is also true that, for example, the person who most propelled our "entente" with Managua in January 1984 was Caputo himself, perhaps by order of Mr Alfonsin, who has always intervened and continues to intervene very directly in the drafting of the entire foreign policy (?). It is also true that Caputo surrounded himself with "leftist" (or at least excessively "ideological" advisers and government officials, whose anti-American leaning is perfectly obvious, such as the case of Jorge Sabato and Albino Gomez, who, together with Mr Romero, head Caputo's reduced "staff" of confidants, completely aside from the rest of the Foreign Ministry (except for a few exceptions), or less well-known advisers such as O'Connell, Lavergne, O'Donnell, and so on, many of whom are of an openly Marxist leaning.

The overtures supporting the creation of a "club" of Latin American debtor countries and the obscure Bern episode complete the picture at this point as well, we repeat, as Alfonsin's influence in even the minor details of foreign policy, an influence which is as "anti-Yankee," or even more so, than that of the aforementioned persons.

As a consequence, we are also very skeptical about the possibility of real changes. It is true that lately Mr Caputo (and Alfonsin) have "methodically" analyzed the various aspects of the Argentine-U.S. relations, as well as the real domestic situation, and are willing to grant "concessions" to Washington, including some very important ones, even some repulsive to the "social democratic" mind. Some time ago, one of the Foreign Ministry's Marxist advisers even said that if Cuba accepts Guantanamo, Argentina can also accept the British Malvinas fortress. But from our point of view, such "concessions" or rectifications will only be of a provisional nature and will be more discursive than effective. Anyway, it will not modify any basic guidelines in the long term.

Regrettably, in view of what we know, this is the evaluation that is being made by Washington and, therefore, taking into account another example, the welcome that will be given Alfonsin in that city in March may be on a slightly lower political or diplomatic level than the one that has just been given to Brazilian President-elect Tancredo Neves, that is, if we take into account the preparations that are being made in the U.S. capital. Of course, such things do not make up the heart of the matter, but they serve as indicators.

If the results of the meeting, which should begin to emerge now because the meeting itself will only serve to firm them up no matter the nature of the results, do not mark the beginning of a precise understanding on the fundamental chapters of the "dialogue" between the two countries (Central America, with Buenos Aires giving a more "meaningful" rapprochement to Washington's policy; Argentina's nuclear energy development, also with a certain rapprochement by Buenos Aires toward the Tlatelolco Treaty; and the common struggle against terrorism and drug trafficking on the continent, etc., etc.) then the Reagan government will very quickly distance itself from Alfonsinism.

If this is the case, then the tension in the southern region will increase without the possibility of a Reagan "mediation" with London.

Thus, Argentina will then be deprived of U.S. support within the IMF and with the creditor banks. Thus, the "working breakfasts," such as those that are being organized today in the homes of certain local self-styled political experts with the participation of Robledo, Troccoli, and important businessmen, with an eye to taking dozens of industrialists and bankers to Washington together with the president, will not have served their purpose. Nor will the Foreign Ministry and Government House "leaks" regarding his support for the agreement serve their purpose.

Regarding Buenos Aires, Washington has already started its countdown and it will go no further than May or June. Therefore, there is very little time.

The different type of protocol that the Americans seem willing to offer Alfonsin and Neves is certainly not the only bad signal.

After Brasilia rejected the River Plate summit (Argentina, Uruguay, Brazil) that some Foreign Ministry sectors wanted to hold in Buenos Aires, Mr. Neves was also presumably cautious during his talk with Alfonsin regarding the suggestion that had been made to him in that Brazilian cooperation could help our president create the basis here and abroad for improved dealings with the United States (and by the United States). Neves presumably insinuated that before anything took place, Argentina's foreign policy had to be observed in order to appreciate its real course.

The new Brazilian president presumably did not accept an invitation (which was simply an "exploratory" gesture) to attend a joint session of Congress in his honor, obviously because he feared the speeches against the "North" that could have been made on the occasion.

As if this were not enough, the Radical sector now fears, and not without some basis, that the Beagle treaty will run into trouble in the Senate, which will not smooth the road to Washington.

As we have said, these are just signals. But, yes it is appropriate for the government to take very much into account, while it is preparing its Washington "exam," that it will not be able to "repair" anything with simple words.

COOPERATION AGREEMENTS SIGNED WITH IRAQ

PY211540 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 20 Feb 85

[Text] Cooperation agreements signed by Itamaraty with Iraq foresee the construction of roads, the extension of railways, and irrigation projects in Iraq to be undertaken by Brazilian firms. The irrigation projects may cost in excess of \$200 million.

URANIUM CONCENTRATES EXPORTED TO UNITED KINGDOM

PY160045 Brasilia Domestic Service in Portuguese 2200 GMT 15 Feb 85

[Text] The Brazilian Nuclear Corporation [Nuclebras] this week exported the United Kingdom approximately 60 tons of uranium concentrates produced by the Planalto mineral and industrial complex in Pocos de Caldas, Minas Gerais. On releasing this report today in Rio de Janeiro, Nuclebras stated that last year it exported approximately 180 tons of this product to Argentina, and almost 88 tons to France.

DECREE ON PRESIDENTIAL PREROGATIVES EXPLAINED

PY181428 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 16 Feb 85 p 5

[Excerpt] Chief of the Military Cabinet General Rubem Ludwing has explained that Decree No 90893 whereby President Figueiredo delegated authority to military ministers for the adoption of some measures, including the transfer of high-ranking officers to the reserves, is no more than a debureaucratization decree that does not curtail the power of the nation's president as supreme commander of the Armed Forces. The assumption that the decree had a subjective political motivation indicates an intention to create difficulties in the military area, in addition to lack of knowledge of the military regulations and statute, added the assistant to President Figueiredo.

The decrees does not imply any curtailment of presidential prerogatives, but the transfer of bureaucratic authority to relieve the president from the routine of having to sign thousands of resolutions of a merely bureaucratic nature per year. These resolutions can be handled by the ministers, or even by military ministries' secretaries general. During his government tenure, President Figueiredo has signed 28 similar decrees transferring administrative authority to other ministries. This year alone, President Figueiredo had to sign more than 600 purely administrative resolutions in the area of the military ministries. Thanks to this decree, thought to mutilate presidential prerogatives, the future president will be relieved of such administrative burdens.

APPOINTMENT OF SNI DIRECTOR STILL UNCERTAIN

PY182110 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 16 Feb 85 p 4

[By Helio Contreiras]

[Excerpts] General Reynaldo Mello de Almeida is making an effort to avoid being appointed by President-elect Tancredo Neves as minister-chief of the National Intelligence Service [SNI]. In an audience with Vice President Aureliano Chaves on 14 February, in Brasilia, General Almeida made an appeal against his nomination for that position. This information was provided by high-ranking military sources to O ESTADO DE SAO PAULO and JORNAL DA TARDE on 16 February.

In arguing with Aureliano Chaves about his desire not to become the SNI chief, General Almeida, former chief justice of the Superior Military Tribunal, suggested the name of General Octavio Costa for the post.

The name of General Costa was well received by the military officers who were told about General Almeida's suggestion, because General Costa moves about easily in all military sectors since he has progressed in his career without creating controversy.

With the support of many members of the Brazilian Democratic Mobilization Party [PMDB], the name of former Rio Grande do Norte Governor Alvisio Chaves, who once was the secretary general of the now extinct National Democratic Union [UDN], has emerged as a possible candidate for SNI chief. However, he is viewed with some uneasiness in the military area since he had his political rights taken away from him under the revolutionary period.

Another name that has been indicated to the president-elect for the SNI post is that of Helio Lemos, reserve general, who had been cabinet chief of the SNI before.

Of all the names that have been scrutinized for the post by the president-elect, the strongest contenders are General Reynaldo Mello de Almeida and General Octavio Costa. In the opinion of some military officers, General Costa could handle the reorganization of the SNI without creating any hostility.

In the military area there has been a muted rejection of the name of General Reynaldo de Mello Almeida who, although he does not have the acceptance General Octavio Costa has, is respected in the military institutions because of the top jobs he has held in the Army.

MUNICIPAL ELECTIONS TO BE HELD IN EXCLUDED AREAS

PY181738 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 16 Feb 85 p 1

[Text] The 65 municipalities which were recently excluded from the roster of national security areas will elect their new mayors on 1 September using the direct ballot system. The decision on the election date was announced by the Superior Electoral Court on 15 February. In Sao Paulo, the elections will take place in two cities -- Castilho and Sao Sebastiao. The Superior Electoral Court will send a telex to the Regional Electoral Courts in the 12 states where those municipalities lie so that the latter can prepare for the balloting. Thirty-nine cities still remain on the national security roster.

NEVES 'MANEUVERING' WITH IMF CRITICIZED

PY200240 Sao Paulo FOLHA DE SAO PAULO in Portuguese 19 Feb 85 p 5

[By Paulo Francis from New York]

[Text] Brazilian medium-level officials are currently in Washington negotiating with the IMF. These talks should produce a "revised" seventh letter of intent. Actually the seventh letter of intent was not even given formal consideration by the IMF. We are now working out the eighth letter of intent, all that is missing is the label.

This tricky maneuver of Tancredo Neves' incoming administration has failed. The idea was to leave the Figueiredo administration holding the bag with the seventh letter. It will now be up to Tancredo's administration to draw up the letter and reach an agreement between Brazil and the New York bankers. The government will have to govern.

The Brazilian experts in Washington do not bother to disguise the fact that the IMF, and the creditor banks, want foolproof guarantees that Tancredo Neves' administration will be as pliant to the demands of the creditors as the Figueiredo administration has been. This must be made clear once and for all.

The IMF has accepted Brazil's seven letters of intent which are full of holes. Why is it that it is suddenly stalling? The answer is simple: Under Figueiredo there were guarantees that interests and risk bonuses would be paid to the bankers. The IMF guarantees to the bankers that it will oversee our economy to the extent that their profits will be paid on time. There were no problems in this regard with Figueiredo's administration. Neither should there be any with President-elect Tancredo Neves. However, neither the IMF nor the bankers are fools. They are quite aware of the fact that there are latent conditions for a revolt of the Brazilian society against the system. Nothing is really dramatic. Lula [metalworkers union leader] and Brizola [Rio de Janeiro governor] are looked upon as powers that will take immediate advantage of the discontent which will spread through Brazil when Tancredo Neves' image of a miracle-working saint is shattered by reality. That is all there is to it. The creditors want clear-cut and explicit submission.

Many observers felt that the idea behind certain strange omissions of the president-elect was to make believe that he would be forced to accept commitments undertaken by the Figueiredo administration, and to do so sorrowfully... It did not quite happen.

The operation to "deceive the gringos" by negotiating seven clearly absurd letters of intent fooled no one at the IMF or among the bankers. Everyone knew that the letters were pure fiction. It was made believe that in the "subsequent" letter of intent Brazil would tighten its belt as the creditors wanted. The main thing was that Brazil had to keep on paying interests and "spread" [preceding word in English]. Under the military regime the bankers harbored no doubts that these commitments would be fulfilled. Tancredo Neves is a civilian and therefore exposed to social pressures. This is the reason for the squeeze.

Brazil's option is to break with the system. As far as I know, no one in high places is seriously thinking about this. However, it is accepted that the system will have to accept some self-sacrifices, along the lines of the Mexican case. The difference between the two countries is obvious for the creditors. Mexico is an ironclad dictatorship disguised as a Third World democracy. Although Brazil under Tancredo is merely the reshuffling of elites, the government has the support and hopes (exacerbated to the point of insanity by the "media") of the people, hopes which no one in his right mind can believe will be fulfilled. The creditors are forcing Tancredo Neves to be serious and open the game. This is against Brazilian political traditions, democratic or dictatorial. However, it does not hurt the process of teaching our people about the world in which they live.

COMMUNIST PARTY CALLS FOR SOCIO-POLITICAL PACT

PY162345 Sao Paulo FOLHA DE SAO PAULO in Portuguese 15 Feb 85 p 4

[Text] "During this period (of a democratic transition), the policy of the Communists is to support the development and strengthening of the democratic transition, struggling so that all the institutional restrictions of the defeated regime disappear, in order to clear the channels for democracy and socioeconomic progress."

The position of the Brazilian Communist Party [PCB] was approved during a meeting of its National Legal Committee and was disclosed yesterday through a 18-page document issued by the PCB Secretary General Giocondo Dias.

Dias explained that the PCB's main tactic for a democratic advance is to struggle to maintain the "democratic front", as the Democratic Alliance, which elected Tancredo Neves president of the Republic, is called, in order to guarantee the stability of the future government, and to support a socio-political pact, "so that the government of the Democratic Alliance may fulfill the minimum program that motivated the people and the main political forces."

According to the document, the Democratic Alliance should "give a better explanation and details of the pact between the interested political and social forces in order to expedite and speed up the country's democratization and to overcome the economic crisis."

The PCB believes that the "commitment with the nation" which was signed by the Brazilian Democratic Mobilization Party [PMDB] and the Liberal Front, at the beginning of the electoral campaign, is a mere pact draft. "The democratic transition requires more than a social pact between the government, the businessmen, and the workers unions." The PCB supports a "socio-political pact," the main principle of which is "the establishment of a government with strong political and popular support; the elimination of antidemocratic laws; the amendment of the Constitution and national laws," so as to restore the democratic liberties; the resumption of economic growth, distribution of income, agrarian reform, and a national constituent assembly in 1986 preceded by a broad freedom for the organization of political parties.

The PCB upholds the unity of labor unions and acknowledges the possibility of a "government of a broad democratic coalition," that is, one formed by all the political forces that supported Tancredo Neves' election. Notwithstanding, it promises to struggle so that harmony among the progressive forces may (?prevail) in the cabinet. The document asserts that "the names of the progressive leaders of this pact are important since their commitment with the proposals for changes should be clear enough to strengthen the people's confidence during the transition period."

The PCB document ends by stating that the party's legalization "represents a new and positive element to encourage the various forces that desire the establishment, broadening, and stability of the institutions."

U.S. ASSISTANT SECRETARY OF STATE CONCLUDES VISIT

Foreign Ministry Communique

PY211641 Santiago Domestic Service in Spanish 1556 GMT 21 Feb 85

[Report by Hugo Reyes from the Foreign Ministry -- live]

[Text] The recent visit of U.S. Assistant Secretary of State for Inter-American Affairs Langhorne Motley has prompted a review of the status of our bilateral relations and efforts to seek new areas of cooperation within the framework of Chilean-U.S. relations. Ambassador Motley visited Chile from 17 to 20 February in order to obtain adequate knowledge of the Chilean reality, the Chilean Foreign Ministry said a few minutes ago.

In the meeting with His Excellency the president of the Republic, Captain General Augusto Pinochet Ugarte, Ambassador Motley discussed several aspects of our bilateral relations and the status of the institutionalization process established in the 1980 Constitution, which was freely approved by the Chilean people and which is now being implemented. Ambassador Motley also met with Admiral Jose Toribio Morino, commander in chief of the Navy and member of the honorable government junta; Interior Minister Ricardo Garcia Rodriguez; Foreign Minister Jaime del Valle; and with Minister Secretary General of the Presidency General Santiago Sinclair, with whom he exchanged opinions and thus learned about the overall situation of the country and its future plans. All this also prompted a review of the status of our bilateral relations and efforts to seek new areas of cooperation within the framework of Chilean-U.S. relations. All the meetings between Ambassador Motley and high-ranking Chilean officials were held in an atmosphere of great cordiality, understanding, and mutual interest.

This was a communique released a few minutes ago by the Chilean Foreign Ministry.

Departure Statement Viewed

PY220157 Santiago Domestic Service in Spanish 2200 GMT 21 Feb 85

[Excerpts] The interior minister has described the remarks of the U.S. Government envoy, Langhorne Motley, as interesting and positive. Interior Minister Ricardo Garcia Rodriguez made this statement after participating in a meeting with Labor Minister Alfonso Marquez de la Plata, labor leaders from various sectors, and former Interior Minister Sergio Onofre Jarpa. When Labor Minister Alfonso Marquez de la Plata was asked his opinion of the remarks made by the envoy of the U.S. Government, Langhorne Motley, he said that the official must have left with very favorable impressions, because he stated that the destiny of Chile is in good hands. Therefore, the labor minister stated, it has been made very clear how the Chilean process is being managed. Former Interior Minister Jarpa also commented on Motley's remarks:

[Begin recording] [Reporter] What is your opinion of Mr Motley's remarks last night at the airport?

[Jarpa] I believe that a summary has been published, and that what was published is appropriate.

[Reporter] And what he said about Chile, the Chilean Government and the process...

[Jarpa, interrupting] In that all of this depends on the Chileans, I believe that he said what has really to be understood, and this must be carried out by Chileans, not by foreigners. [end recording]

FOREIGN MINISTRY PROTESTS TO IRANIAN AMBASSADOR

PA211350 Paris AFP in Spanish 0048 GMT 21 Feb 85

[Text] Bogota, 20 Feb (AFP) -- The Colombian Foreign Ministry today addressed a vigorous protest note to Mostafa Makhlesi, Iranian ambassador to Colombia, over statements the ambassador made on television in favor of the Islamic Revolution

The incident occurred on 30 January, on the occasion of the commemoration of the sixth anniversary of the Islamic Revolution. During speeches over Channels 2 and 3, Makhlesi lashed out violently at the Iraqi regime and "the haughtiness of U.S. imperialism and Soviet communism."

The ambassador and his assistants secured permission for the appearance after reiterated demands presented to Foreign Ministry officials and the government organization the National Institute of Radio and Television [Inravisión]. In addition, a quarrel occurred with one of Inravisión's female officials because she was wearing slacks and her head was uncovered, according to a Bogota press report today.

In his protest note published Wednesday, Colombian Foreign Minister Ramirez Ocampo reminded Makhlesi that, according to international agreements in force, diplomats are forbidden from publicly addressing domestic or foreign political affairs of the country they represent, the host country, or other nations.

Ramirez stressed that during the interview with Inravisión officials, the ambassador was warned of these limitations, but "unfortunately they were not heeded. The ambassador's speech on Colombian television included matters contrary to our policy of nonintervention and mutual respect." Ramirez then said that neither the ambassador nor his translators had disclosed the text of his speech in advance to either the Foreign Ministry or Inravisión. Such a disclosure would have been desirable out of the courtesy that all diplomats owe the country where they act as representation of a friendly nation.

Ramirez added: "Colombia deeply respects the freedom of expression of both nationals and foreigners and hopes that this practice becomes universal. Colombia, however, cannot accept foreign diplomats' expressing concepts, opinions, or judgments through the state's social communication media, during a special program not sponsored by advertisers, on matters that must be dealt with through diplomatic channels." Finally, the protest note states: "The Colombian Foreign Ministry hopes that situation such as the one that lead to this note will not recur and that, for the handling of its affairs the mission you head will in the future abide by the Vienna convention on diplomatic relations and the practice and customs internationally accepted in this regard."

COMMUNICATIONS MINISTER SANIN TO VISIT CUBA

PA211513 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 21 Feb 85

[Text] Bogota -- Communications Minister Nohemi Sanin Posada, who was confirmed in her post by President Belisario Betancur, will travel to Cuba at the invitation of the government of President Fidel Castro. This will be the first visit by a ranking official of the current government following a break in diplomatic relations with that island country during the latter part of the Turbay Ayala administration due to alleged Cuban support for the 19 April Movement.

GOVERNMENT MACROECONOMIC PLAN OUTLINED

PA211527 Bogota EL TIEMPO in Spanish 18 Feb 85 p 8 A

[Text] The government has officially revealed the basic features of its macroeconomic program for the last 2 years of the current administration, which places special emphasis on bolstering exports as a "leading factor" and on Colombia's hopes to overcome serious problems with foreign trade, as well as to consolidate the process of improving domestic production.

Despite the significant boost to foreign exchange earning that will result from the launching of the coal program at El Cerrejon and that of the huge oil deposits in Arauca, the rate of foreign debt servicing (ability to make payments abroad) will depend on the degree to which the country manages to promote exports and thus obtain the necessary resources to meet its foreign obligations.

The handling the country's economy for 1985 and 1986 is spelled out in a document that was drawn up by the National Department of Planning [DNP], which has already been discussed by the National Council of Economic and Social Policies and released by DNP Director Jorge Ospina Sardi. In addition to setting down the bases of this program, it provides final figures for the leading indicators of the national economy in 1984, which was the country's best year in recent times. Thus it was confirmed that the GNP grew 3 percent in 1984.

The key objective of the macroeconomic program for the next 2 years is to consolidate the adjustments being made on the fiscal front and the balance of payments and at the same time ensure positive growth rates over the medium term. The overall strategy emphasizes a cautious handling of public spending and a vigorous policy of promoting exports.

Attempts will be made to reduce the fiscal deficit as much as possible. In 1984 the central government's deficit was 4 percent and that of the decentralized sector 3 percent. These levels are still high, considering the requirements arising from the monetary policy, the exchange policy, and the foreign debt. Since the contractual impact of a sharp drop in international reserves will not be as heavy in 1985 as in previous years, the chances of financing the fiscal deficit with a primary issue [emission primaria] are limited.

As a result of the need to prevent international reserves from dropping and to keep the level of foreign indebtedness in line with the future ability to pay the foreign debt, the current deficit in the balance of payments will be reduced from \$1.75 billion in 1984 to \$1.2 billion in 1985. Since the deficit in the service account will be equal to that of 1984, the burden of the adjustment will fall on the trade balance.

Excessive increases in official imports will be avoided so as not to hamper those of the private sector at a time when private industry is showing clear signs of recovery. Likewise, foreign credits will be used to finance private import and export projects. These credits, to be financed by the IDB and the World Bank, have the advantage of not requiring the booking of public resources as cross entries. Loans to finance the El Cerrejon Norte project as well as hydrocarbons exploration and exploitation projects will be obtained from private banks. The requirements of cross entries on foreign credits for social and agricultural projects will be reduced. In other cases, foreign funds will be transferred from nonpriority projects to others considered essential.

The other high priority area is the promotion of exports. Nontraditional exports have not yet fully reacted to the exchange rate adjustments and greater incentives. In addition to exporting coal (beginning in 1985) and hydrocarbons (beginning in 1987), the country must make a great effort to increase its exports in other fields in order to keep the coefficients of foreign debt service at normal levels. At present, this coefficient is 30 percent in relation to the income received through exports. In other words, the country uses that percentage of its exports to pay its foreign debt. The current coefficient in relation to the GNP is 22 percent.

Official estimates for 1985 place this coefficient in relation to exports at 35 percent, which will steadily increase to 50 percent between 1987 and 1988. These figures do not include coal and oil exports which, if included, would keep the coefficient between 30 and 35 percent, which is considered reasonable from 1985 on.

In order to increase exports, we must create more incentives, intensify campaigns to promote them, simplify procedures, allow automatic access to imports for export activities, modify the free zone system, and promote foreign investment in export projects.

The document adds: "In sum, export activities will be the leading sector in the macro-economic program, not only to generate the necessary foreign exchange to reduce the foreign deficit, but also to create more jobs and consolidate the reactivation of the manufacturing industry, which so far has been based on substituting imports."

In 1984 Colombia paid some \$650 million of its foreign debt and another \$620 million in interest, for a total of \$1,270 billion or 130.810 billion pesos at an average exchange rate of 103 pesos per dollar during 1984.

The document also notes that Colombia received foreign credits for \$2.500 billion, \$1.700 billion of which were invested.

On the domestic front, the government has determined that the key sector in the reactivation process is housing construction. This sector experienced an unprecedented boom, particularly during the second half of 1983 and the first half of 1984.

Part of this boom was supported by the Territorial Credit Institute's popular housing project. In 1 and 1/2 years, this institution completed the construction of 118,000 housing units, out of a goal of 140,000 units established in the "Change With Equity" 4-year plan.

During the 1985-86 period the Constant Value Savings and Loan Certificates system will be primarily responsible for the housing program. Therefore, ways must be sought to maintain its dynamism, such as ensuring its competitiveness in the savings market. In this manner, the progress of the system in 1985 will be based both on the expected savings increase and the foreseen market growth.

The document adds: "In conclusion, economic reactivation in 1985 will be based on increased nontraditional exports, a steady rhythm in housing construction, the stability of the international coffee market, a boom in the mining and hydrocarbons sectors, and in general a broader use of foreign credits. In addition, the policy of moderately increasing real monetary balances will be maintained. Toward this end, special attention must be given to the production of food through the availability of credit and support to the Integrated Rural Development Program.

70 DEAD, 60 WOUNDED IN CLASHES WITH TERRORISTS

PY212344 Buenos Aires TELAM in Spanish 0216 GMT 21 Feb 85

[Text] Lima, 20 Feb (TELAM-ANSA) -- A total of 70 persons were killed and some 60 were wounded during clashes that took place over the past few hours within the convulsed Ayacucho Department, in the central Andean region.

Reports reaching the capital today state that some 40 extremists, presumably members of the Maoist Shining Path group, were killed during a bloody clash in the town of Laramate and that another 30 died in Sylcus. Armed with automatic weapons and backed with constant helicopter support, combined military forces carried out these two operations. Although several were wounded in the operations, the exact number is not known.

Reliable sources have stated that two extremists who were arrested on Monday, 18 February, while being questioned revealed that dozens of extremists had gathered in Laramate and Sylcus to prepare for a series of actions aimed at thwarting the general elections scheduled for 1 April.

Members of the political-military command that is in charge of the 23 provinces that are in a state of emergency surrounded Laramate and Sylcus and ordered the inhabitants to surrender. Disobeying the order, the inhabitants took up their arms, which led to the bloody clashes.

Political observers believe that this is one of the most important victories of the political-military command since the antiradical struggle in the convulsed central Andean region of Peru started 2 years ago.

ADDITIONAL \$500-MILLION LOAN SOUGHT FROM USSR

PY211335 Lima Cadena Panamericana Television in Spanish 0200 GMT 21 Feb 85

[Text] Peru will renegotiate its debt with the Soviet Union for an additional \$500 million, Industry Minister Alvaro Becerra said today. He explained that this debt is being paid with nontraditional exports. He also said that due to our current lack of foreign currency, the only way to meet international commitments is to aggressively export nontraditional products.

[Begin recording] We are negotiating bilateral agreements with several countries. I would like to recall what has already been achieved with Argentina, Chile, and Brazil through the Latin American Integration Association; with Venezuela through the Andean Pact; with the United States through a bilateral textile agreement; with Spain through an agreement which will soon start functioning as a result of my recent visit there; and with Russia through an agreement which will be made by mid-August and which will increase our nontraditional exports to that country.

We think that all these agreements, particularly with Latin America, are an important first move to strengthen integration, which is one of our national aspirations. [end recording]

JOINT COMMUNIQUE WITH GUYANA URGES IMPROVED RELATIONS

PA211733 Caracas EL UNIVERSAL in Spanish 11 Feb 85 pp 1, 13

["Text" of joint communique issued by the Venezuelan and Guyanese Foreign Ministries on 9 February in Georgetown, Guyana]

[Text] In response to an invitation extended to him by Mr Rashleigh Jackson, foreign minister of the Cooperative Republic of Guyana, Venezuela Foreign Minister Dr Isidro Morales Paul made an official visit to Guyana from 6 to 9 February 1985. The Venezuelan foreign minister was accompanied by an official party that included Senator Jose Ignacio Casal, vice president of the Venezuelan Congress' Foreign Policy Commission; and Deputy Oswaldo Alvarez Paz, president of the Foreign Policy Commission of the National Congress Chamber of Deputies. During his stay Minister Morales Paul paid courtesy visits to His Excellency L.F.S. Burnham, president of the Cooperative Republic of Guyana, and Desmond Hoyte, prime minister. He also visited the Training Center of the National Service of Guyana in Kimbia and placed a floral wreath before the 1967 Georgetown monument. Minister Morales Paul took advantage of the occasion to dedicate an exhibit of Venezuelan paintings in the National Museum and placed a floral wreath before a bust of liberator Simon Bolivar at the Romulo Gallegos Cultural Center in the city. The foreign ministers exchanged views on a wide variety of topics of common interest which included the Contadora process, in which Venezuela has played an important role in a joint effort to find a peaceful solution to the problems of Central America. The minister also held talks on a number of bilateral issues, especially in connection with possible cooperation in the following areas: fishing, agriculture, public health, bauxite, dredging, trade, science and technology, education, and cultural cooperation.

They agreed that progress in these fields will strengthen bilateral relations and agreed to pursue these goals determinedly. To this end, they agreed to establish a means to supervise the execution of these programs. As part of the new spirit of friendship and cooperation that characterizes relations between Venezuela and Guyana, the two foreign ministers examined the issue of Venezuela's territorial claim. They reiterated that the issue is currently under consideration by the UN secretary general for a decision in accordance with Article IV (2) of the Geneva Convention. They reaffirmed their common desire to cooperate with the UN secretary general to facilitate the implementation his decision. They expressed the desire that Diego Cordovez, the secretary general's special representative and under secretary general of the United Nations, will soon visit both Georgetown and Caracas. The foreign ministers agreed to inform the UN secretary general of their sentiments. An atmosphere of cordiality and understanding prevailed during the talks, and the importance of active cooperation was stressed, as it creates solid bases for permanent and harmonious relations between the two countries. The two foreign ministers expressed their agreement that this visit represents a firm and positive step and that its results are promising for the future relations between Venezuela and Guyana.

Venezuelan Foreign Minister Isidro Morales Paul expressed his gratitude to the people of the Cooperative Republic of Guyana for the warm reception and hospitality accorded him and his party during the visit. The minister invited Foreign Minister Rashleigh Jackson to make an official visit to Venezuela on some agreed upon occasion. The invitation was accepted with pleasure.

Georgetown, Guyana, 9 February 1985.

MORALES ON CONFLICT WITH GUYANA, OTHER TOPICS

PA211440 Caracas EL NACIONAL in Spanish 4 Feb 85 p D 2

[Interview with Foreign Minister Isidro Morales Paul by Alfredo Pena, date and place not given]

[Text] [Pena] Certain reports suggest that we might reach an understanding with Guyana this year.

[Morales Paul] It is not possible to establish dates or time limits in a delicate situation such as this. We might say we have advanced to a favorable climate so the parties can further analyze the situation and seek solutions. A process of national consultations will follow, as this is an indispensable requirement for the culmination of such an effort.

[Pena] Not long ago former Foreign Minister Zambrano Velasco criticized the steps you had taken along with certain Guyanaese Government officials without previously notifying either the Foreign Relations Advisory Committee [CARE] or other state bodies.

[Morales Paul] I think that Dr Zambrano's opinion changed after I provided some information to CARE. However, we must be aware that the conduct of a country's foreign policy is in the president's hands. He directs it personally and through the Foreign Ministry, which is his interpreter. It is the executive branch's duty to adopt whatever initiatives it deems suitable without undermining the advisory bodies. The country can rest assured that decisions will not be made nor talks evaluated without the participation of the political parties and the Armed Forces.

[Pena] A few years ago, I think it was during the Carlos Andres Perez administration, there was talk about the possibility of an arrangement with Guyana based on a guaranteed outlet to the Atlantic for Venezuela. Is this alternative still being considered?

[Morales Paul] These are topics of a confidential nature. However, it has been discussed broadly in the media that one of Venezuela's geopolitical goals is to obtain an autonomous outlet through waters under our country's jurisdiction.

[Pena] Why only waters? We are also making territorial claims.

[Morales Paul] For obvious reasons I cannot divulge the details of Venezuela's strategy. However, it is evident that any eventual solution with Guyana must include both water and land. However, that will be determined in due time through consultations.

[Pena] Let us suppose a basis for understanding is reached. Would the government be willing to subject the decision to a referendum?

[Morales Paul] That would have to be studied carefully to avoid any false steps. I am not dismissing any expression of public opinion, but, I repeat, this is such a delicate matter it forces one to make a serious analysis, taking every circumstance into consideration.

[Pena] Venezuela maintains the claim which, according to Guyana, involves two-thirds of what they consider their territory?

[Morales Paul] I have always asserted that Venezuela's stand vis-a-vis the Great Britain of imperial days cannot be the same as its stand vis-a-vis today's Guyana, an underdeveloped country with serious limitations in its means of production and consumption and, like us, a victim of the famous Essequibo issue.

[Pena] Until there is a solution, will Venezuela continue to state at international organizations that the disputed zone can neither be transferred nor subject to concessions with transnational companies?

[Morales Paul] At least during this administration, Venezuela has opposed any new investments in the zone under dispute. However, it has not taken any measures to hinder the Guyanese people's developmental needs. This is a legal matter, we have a duty to express our opposition in order to be consistent with our territorial claim.

[Pena] What if Guyana claims, as it has before, that development of that zone is necessary for its own economic progress?

[Morales Paul] The Geneva Convention states explicitly that no action carried out in the area under dispute will be construed against one of the parties.

[Pena] Until we find a satisfactory solution, is there no way to establish a system for mutual cooperation?

[Morales Paul] Yes, that rapprochement is what I have called cooperation in nonconflictive areas. This explains why Venezuela has acquired important amounts of Guyanese bauxite and why on our next trip we will take along persons charged with studying the commercial aspects, agricultural and fishing, as well as the possibility of channeling some rivers.

[Pena] Would the Armed Forces be present in those negotiations with Guyana?

[Morales Paul] I can assert that at this point the Armed Forces are cooperating with the Foreign Ministry at various levels in an effort to identify possible solutions and the framework within which the country would be willing to accept a negotiated solution. Four officers, in addition to the border director, serve as liaison between the various forces and the Foreign Ministry.

[Pena] Are the Armed Forces also participating in the commissions studying the conflict with Colombia?

[Morales Paul] The Armed Forces must be present not only in the negotiations, but also in the earlier stage of analysis and evaluation, which has rarely been conducted in this country and which this time we are conducting very seriously.

[Pena] In other words, the Armed Forces will be present in all stages of Venezuela's negotiations with both Guyana and Colombia.

[Morales Paul] And in any other border problem that might arise.

[Pena] A recent dispatch from Colombia reported that several Colombian parliamentarians had suggested that the conflict be turned over to the jurisdiction of the pope and/or the International Court.

[Morales Paul] Venezuela does not discard any means for resolving a controversy. However, we have clearly maintained that direct negotiations is the most suitable means for resolving these problems. Nonetheless, faced with the idea that we should turn to the international court of justice, I think that might eventually be possible. Venezuela would have no objections, because it has perfectly valid legal grounds for its position. The jurisprudence of this court has been bolstering these views, as was the case with its recent decision on the Gulf of Maine, a prior one on the Gulf of Gabes between Libya and Tunisia, and on the North Sea's continental platform.

[Pena] What you are saying is interesting, since Colombia is always saying, as sort of threat, that it might take the conflict to the international court.

[Morales Paul] I do not harbor the slightest doubt about the legal grounds for Venezuela's position. The three decisions I have just mentioned definitively back the application of equitable principles, the decisive importance of special circumstances, and the vital and historical nature that the Gulf of Venezuela has for this country.

[Pena] Would we do well in that tribunal?

[Morales Paul] Venezuela has perfectly valid legal titles to defend its views. However, one must bear in mind that the papal solution of the conflict between Argentina and Chile (conflict over the Beagle Channel), proved that strictly legal solutions are not always the most suitable for resolving those cases where states' vital interests are involved. The Gulf of Venezuela is vital for us. Our oil passes through there; it is our umbilical cord with the outside world. It is perhaps our country's most vital area. Colombia could not say that.

[Pena] But they have said it, perhaps because the oil wealth allegedly found in that gulf exacerbates the issue.

[Morales Paul] The alleged existence of hydrocarbons in that area might make oil the main issue in the controversy. However, what is irrefutable is the fact that no vital Colombian interests are involved, but they are in Venezuela's case.

[Pena] To what extent does today's huge foreign debt, especially that of Mexico and Venezuela, harm Contadora's independence and vigor vis-a-vis the United States?

[Morales Paul] I must admit sincerely that a foreign debt of considerable magnitude reflects a high level of fragility and vulnerability on the part of any country. Therefore, autonomy with regard to international situations and the expansion of views are somewhat affected by a debt of considerable magnitude. However, I do not believe we have reached the point where we can surmise, much less admit, that Venezuela's voice and influence have been affected by its foreign debt.

[Pena] Politics and the economy are indissolubly linked. Washington has said that for the White House, Central America is a vital issue involving its national security. It would not be crazy to think that the United States might somehow make its influence felt vis-a-vis the Government of Mexico and Venezuela with regard to Contadora.

[Morales Paul] An examination of the stands adopted by both Mexico and Venezuela on Contadora shows that both countries have maintained autonomous positions reflecting their philosophical and political views and that these positions have in no way been influenced by the foreign debt.

[Pena] One sometimes gets the impression that the Contadora foreign ministers have given their all. They have presented all the alternatives and encouraged all the options. If nothing has been accomplished at the foreign ministers' level, why hasn't a meeting of the Contadora group presidents been held?

[Morales Paul] Contadora is in the midst of a process that will culminate on 14 and 15 February with the meeting of plenipotentiary officials. I have sometimes been criticized for pressuring the Contadora countries, and I must admit this has been my intention. The purpose is a healthy one, intended to make the interested parties realize that Contadora has no magic formulas. Contadora cannot resolve the problems without the political will of the parties involved. When I say that Contadora has burned its bridges, I mean that we cannot turn back. What remains is for the parties involved to become aware that only they have the capability to either achieve peace or take the alternative path of war.

[Pena] Would not a meeting of chiefs of state be a supreme effort for achieving peace and avoiding war?

[Morales Paul] I do not dismiss the possibility of a meeting of chiefs of state. The right moment to turn that possibility into reality must come after making final decisions at a high political level. Perhaps that possibility will become evident after 14 February.

[Pena] Was it not a mistake to exclude from the very beginning those countries which somehow encourage the conflict, Cuba, the United States, and the Soviet Union?

[Morales Paul] I would not dare answer positively. It is not enough to invite them to the negotiating table. Conditions permitting a dialogue are required. And it is impossible to think about lasting peace in Central America without the participation of all the countries involved.

[Pena] It is necessary to involve directly the protagonists of the tensions threatening us. The Contadora countries have nothing to do with that crisis in the sense that they have neither caused it nor participated in it. Meanwhile, the sponsors of the conflict are not participating in the dialogue.

[Morales Paul] That is true. But it is also true that Contadora, at least since I joined the group, has become aware of that political need and has appointed commissions to contact those countries. Those contacts have been increasing and expanding. The Manzanillo effort is a result of Contadora and a reflection of that political reality.

[Pena] Some of the protagonists of the conflict proclaim their support for Contadora but do not really believe in it. The facts show that they neither believe nor participate in Contadora's policy.

[Morales Paul] True. It would seem that there are two lines of parallel action: that of Contadora, drafting its peace document and another document on objectives and calling for political dialogue; and another line involving Central America's direct political development, with the presence of superpowers and the direct or indirect intervention of many other participants in the conflict.

[Pean] In my view, the key problem, unresolved by Contadora is effective and supervised control of weapons in the area.

[Morales Paul] I completely agree with you. The commission for verification and control must be an instrument with a large capacity for investigation, verification, control, and mechanisms to follow up the political guidelines established in the Contadora Document. That is the only way to recover trust, so a country can believe what it is being told.

[Pena] In this case effective arms control includes not only war materiel but also military troops; the number of national or foreign troops.

[Morales Paul] Yes, all that constitutes a country's capacity to retaliate or attack. It is not possible to let a nation acquire such military power that it can become a threat to its neighbors, because then there will never be a stable peace. The Central American countries must reduce their military capacity to reasonable levels. I realize that the concept of rationality is difficult to define and appreciate in practice. But there cannot be a military imbalance threatening peace in the region.

[Pena] Nicaragua claims it has had to arm in order to defend itself from the U.S. troops stationed in Honduras and the Marines constantly near its coasts.

[Morales Paul] That argument does not justify an exaggerated arms buildup, because regardless of how many weapons Nicaragua may have, the number will never be enough in the event of an attack by the United States. Moreover, that would necessitate an arms buildup incompatible with the economic possibilities and development level of that country and its neighbors.

[Pena] Do you think the United States will stage an attack?

[Morales Paul] I do not think the United States is planning an attack, but neither can one run the risk of creating circumstances that might encourage such an attack, like the presence of MiG planes or constant intervention in neighboring countries.

DE LA MADRID MEETS WITH BELIZEAN PRIME MINISTER

FL212036 Mexico City NOTIMEX in Spanish 1945 GMT 21 Feb 85

[Excerpts] Mexico City, 21 Feb (NOTIMEX) -- Mexican President Miguel de la Madrid and Belizean Prime Minister Manuel Esquivel today met privately at the official residence of Los Pinos. The heads of state spoke for 1 hour about bilateral relations, the situation in Central America, and international issues. De la Madrid and Manuel Esquivel met in the Morelos Hall of the presidential mansion, and the Belizean delegation accompanying Esquivel met with its Mexican counterparts Foreign Secretary Bernardo Sepulveda, Secretary of Energy and Mines Francisco Labastida, and Secretary of Health Guillermo Soberon in an adjoining room.

DEFENSE SECRETARY DISCUSSES BORDER PROBLEMS

FL212033 Mexico City NOTIMEX in Spanish 0151 GMT 21 Feb 85

[Excerpts] Tapachula, 20 Feb (NOTIMEX) -- Mexican Defense Secretary Juan Arevalo Gardouqui today denied here that the Mexican southern border is a time bomb and said there is absolute harmony and safety in the region. Interviewed during President Miguel de la Madrid's working tour in the state of Chiapas, in southeastern Mexico, the Mexican official said that, from a military and governmental standpoint, there are good relations with Guatemala and there is no reason why the term time bomb should be used.

Likewise, he said that in the case of the northern border, specifically in the border town of Piedras Negras where the right-wing opposition party National Action Party militants shot and wounded three policemen, there is a political problem and added that Mexico's Government Secretariat has been working wisely to gradually solve it.

On another matter, an anti-drug operation led by 11 investigative agents, he said that recently in the northern State of Nuevo Leon, 186 hectares of poppy fields were destroyed and, in the State of Sinaloa in northeastern Mexico, 40 tons of marijuana were also destroyed and 67 criminals arrested.

UN HIGH COMMISSIONER FOR REFUGEES VISITS CAMPS

PA160425 Madrid EFE in Spanish 0002 GMT 16 Feb 85

[Text] Mexico City, 15 Feb (EFE) -- "There are no guerrillas" in Mexico's Guatemalan refugee camps, Poul Hartling, the Danish director of the UN Office of the High Commissioner for Refugees (UNHCR) reported here today.

"Approximately 60 percent of the refugees, 46,000, according to official estimates, are small children who cannot carry weapons or any such thing. The adults who are there are completely indifferent to political or military matters," he indicated. Hartling insisted that "there are definitely no guerrillas among the refugees."

On various occasions Guatemalan authorities have insinuated that guerrillas have "infiltrated" refugees camps, something that Mexico has repeatedly denied.

The high commissioner met today with Mexican President Miguel de la Madrid to brief him on his visits to several camps established in the States of Campeche, Quintana Roo, and Chiapas in southern Mexico.

He expressed the UNHCR's support for the efforts of the Mexican Committee to Aid Refugees (COMAR), which, together with the UNHCR, is aiding the Guatemalans.

Hartling said that in Mexico refugees can be sure that they will not be repatriated unless they freely and individually make known their decision to return home.

He also said that the UNCHR supports the efforts to transfer Guatemalan refugees from Chiapas to Quintana Roo and Campeche, particularly because the new refugee camps offer better medical care, food, education, and social services.

In mid-1984, the Mexican Government decided to relocate the 46,000 Guatemalans who originally settled in Chiapas after two armed attacks were staged by men who had entered Mexico from Guatemala.

Sources at support organizations, such as the Christian Committee of San Cristobal (Chiapas), said that the attacks against the refugees were carried out by Guatemalan Army troops. The Guatemalan Government has rejected that claim.

Hartling said that the UNHCR believes that the further the refugee camps are from the border -- anywhere in the world -- the safer it will be for refugees.

The high commissioner also reported that he has not met with Guatemalan authorities to discuss the repatriation matter. He reiterated the UNHCR's outright opposition to forceful repatriation.

The Danish diplomat pointed out that between 600 and 700 refugees have left Mexico for Guatemala, and emphasized that "they returned out of their own free will; the repatriation was not arranged by the UNHCR, nor does the UNHCR know where or how they are."

TRADE OFFICIAL SAYS GATT MEMBERSHIP UNNECESSARY

FL212112 Mexico City NOTIMEX in Spanish 1750 GMT 21 Feb 85

[Text] Mexico City, 21 Feb (NOTIMEX) -- Mexico is willing to examine its bilateral relations with the United States but will not join the General Agreement on Tariffs and Trade, GATT.

Rene Villareal Arrambide, under secretary for industrial planning and trade at the Commerce Secretariat, made this statement after attending the First International Productivity Forum. He added that timely and wise decisions on this matter will be made to place Mexican products in a better international competitive position.

Villarreal Arrambide stressed that the Mexican Government is willing to revise the multilateral trade situation and the conditions producing changes in it, but this does not mean Mexico will join the GATT.

REPORT SHOWS 6.3-PERCENT DROP IN PER CAPITA GDP

FL202124 Mexico City NOTIMEX in Spanish 2020 GMT 20 Feb 85

[Text] Mexico City, 20 Feb (NOTIMEX) -- ECLA has reported that the 2.5-percent increase in Mexico's gross domestic product in 1984 was insufficient to fully keep pace with population growth.

Announcing its preliminary figures for Latin America in 1984, ECLA stressed that Mexico's per capita GDP fell by 6.3 percent the last year.

It pointed out that comparatively, the negative rate for this indicator in Latin America was 8.9 percent and in Mexico it has fallen for the third straight year, although the 1984 drop was the lowest for this period.

ECLA said that in Mexico, the increase in consumer prices in 1984 was almost 60 percent. This increase, almost 40 percent higher than planned, produced a new drop in the buying power of wages. It also caused the exchange rate to deteriorate more quickly than planned, which necessitated an increase in the daily devaluation of the peso at the beginning of December 1984.

ECLA also said the increase in imports in Latin America was small. There was a concentration of purchases of foreign goods.

It explained that in this way, Mexico accounted for 26 percent of Latin American imports, Costa Rica 18, Chile 16, Ecuador 12, El Salvador 9, and Uruguay and Venezuela 8 percent. [figures as received]

EXPORT SUPPORT OF 1.25 TRILLION PESOS PLANNED

FL212046 Mexico City NOTIMEX in Spanish 2143 GMT 21 Feb 85

[Text] Mexico City, 20 Feb (NOTIMEX) -- This year the Mexican Government will assign 1.25 trillion pesos to the export of nonpetroleum-related products through the National Bank of Foreign Commerce (Bancomext) and the Fund for Promoting Manufactured Products [Fomex].

This was reported by Bancomext Director Alfredo Phillips Olmedo during the second and last working day of the annual assembly of the National Association of Mexican Importers and Exporters. He said these resources for exports are separate from those provided for the same purpose by the Development Bank and the Multiple Bank.

He said the exporters will have credits available contracted for with Central and South America and the Caribbean banks, and with international banks such as the World Bank, which has \$275 million available. He also said that in 1985 exporters will have financing available amounting initially to 40 million pesos monthly and that this amount can increase according to the needs of the exporters and subject to the approval of Fomex and the intermediate-level banks.

With regard to support for foreign trade, Phillips Olmedo mentioned the award to the exporting firms of a part of the commission that Fomex receives for its role as a financial intermediary. He said that financing for exports will increase 31.5 percent over 1984 and that the 1.25-trillion peso fund will not include the resources to be used in restructuring the foreign debt of the private sector.

BRIEFS

NEW AMBASSADOR TO BELIZE -- The Mexican Foreign Relations Secretariat reported today that President Miguel de la Madrid has appointed Manuel Martinez del Sobral as Mexico's ambassador to Belize. He replaces Pablo Gonzelez Rubio, who was named director general of protocol 5 months ago. [Excerpt] [Mexico City NOTIMEX in Spanish 0100 GMT 20 Feb 85 FL]

FSLN'S ARCE CLOSES ANTI-IMPERIALIST CONGRESS

PA211934 Managua Radio Sandino Network in Spanish 1200 GMT 21 Feb 85

[Excerpts] Yesterday, Commander of the Revolution Bayardo Arce Castano, coordinator of the Political Commission of the FSLN National Directorate, analyzed the Sandinist people's revolution and the true economic goals behind the U.S. aggression against Nicaragua. At the close of the First Latin American Congress on Anti-Imperialist Thought at the Cesar Augusto Silva Convention Center, Commander Arce told more than 70 intellectuals from several countries of the dangers posed by imperialism and the significance of the Nicaraguan revolution. Arce said that the United States is carrying out a Monroeist policy that represents a danger not only for Nicaragua and America, but for all peoples of the world.

[Begin recording] Unfortunately for us, for Central America, and for the world, the United States is maintaining an imperialist and neo-Monroeist vision which undermines Nicaragua and Central America before their own people and the world, so that the United States can overcome the Vietnam syndrome and the defeatism engraved on the U.S. conscience by recent administrations, described by the present one as weak.

This new Monroeism is dangerous not only for Nicaragua, Central America, and Latin America, but for U.S. allies, because this position of authority, which is selfish and vengeful, constitutes a threat for all humanity in this world of nuclear weapons. Peace is indivisible and cannot be achieved on an international level by promoting regional war and terrorism. Fortunately there is an alternate view, a vision that has emerged from the experience and history of the Third World, particularly Latin America, which coincides with humanity's deepest values in response to the new Monroeism advocated by Reagan and his elitist group. In this regard, the Sandinist revolution presents a Bolivarian and Sandinist vision to solve the crisis that affects Nicaragua, and it could also contribute to the search for alternatives to face the world crisis.

Central America and Nicaragua are not regions without a future, as some have tried to make us appear; we represent a constructive and innovative challenge for the future. Central America and its real possibilities for solving the crisis can turn this area into a new point of reference in the search for a future of peace and international coexistence that will overcome military confrontation with a confrontation against the increasing poverty that is multiplying rapidly for more than two-thirds of humanity. [end recording]

The member of the FSLN stressed that Nicaragua and the rest of the region constitute a challenge for Latin America and future U.S. plans.

[Begin recording] Could it not be that the true threat posed by what is happening in Nicaragua and Central America is that these small, poor, underdeveloped countries are offering a new point of reference to the entire Third World: how to make the social changes that two-thirds of humanity need to achieve a minimal standard of living and survival and at the same time recover the dignity, respect, and self-determination that our peoples demand as independent nations at the end of the 20th century? The Nicaraguan people cannot see as a terrorist threat themselves in this representation of the Sandinist revolution. International opinion and even close U.S. allies do not accept this vision of Nicaragua and the Sandinist revolution. Therefore they express increasingly stronger opposition to U.S. policies regarding Nicaragua and Central America. [end recording]

Arce said that groups wielding great economic power in the United States are behind the aggression our country is suffering.

In conclusion, Commander Arce Castano stated that the Central American crisis can be solved by Central Americans themselves if extraregional interventions are avoided, as defined by Sandinist values and principles.

[Begin recording] We feel that the Central American crisis can be resolved by the Central Americans themselves if extraregional interference is avoided. The problem is that the attempts to negotiate, represented, for example, by the Contadora Group, which expressed a Bolivarian spirit in its September 1984 document, are viewed by this Monroeist vision as obstacles and a danger to U.S. authority over its backyard. If the Contadora Group fails, the four countries that took the initiative will fail, thus endangering the Bolivarian vision and perhaps returning everything to an OAS that has returned to its former decrepitude. This is why the Sandinist revolution was the first to accept the Contadora Document without any modifications. Despite the difficulties and insufficiencies in the Contadora Document regarding the aggression we are experiencing, the document's Bolivarian spirit fits into the Sandinist revolution's plans. We stress our Bolivarian ideals because the Sandinist revolution is celebrating its golden anniversary with more than 50 years of experience, but it is also approaching its sixth year in power. In our opinion, this is another reason why it cannot be said that the Sandinist revolution still has not defined itself.

There is historical evidence that the Sandinist revolution can objectively be made known to those who want to know about it. In more than 5 years of trying to construct the new Nicaragua, only concrete realities reaffirm the principles and values that have characterized the Sandinist revolution. This definition is not a desk definition. It was written in the battlefield, at a time when U.S. aggressive escalation was taking shape, foreboding an invasion. It responds to an ideological escalation that presents Nicaragua as threatening terroristic communism and exporting revolution and instability to the entire region. In response to such efforts, the Sandinist revolution had had to [words indistinct] to the aggression, restructure the reconstruction economy within an economy of resistance and national survival, and at the same time call for international solidarity to defend the peoples' right to self-determination and sovereignty no matter how few their number.

This definition is given within the parameters of a war, but it also offers a national, regional, and international detente proposal. We want to challenge the international community so that it will not be distracted by seeking ideological definitions for a process as complex as ours, but will evaluate and analyze the situation to determine if the experience of these almost 6 years and the values and principles that sustain it can be described as threatening terroristic communism. Perhaps it would be better considered as an attempt to absorb humanity's historical experiences in order to achieve simultaneously social transformations and democracy, while learning from our mistakes and from the successes that the various peoples have left us as their great legacy.

We believe that the principles and values advocated by the Sandinist revolution coincide with the fundamental values defended by the Latin American and Third World countries. We are also sure that these values and principles coincide with the deepest and most human values advocated by Western democracies, represented by the most progressive forces in Europe and sectors of the United States. It is also certain that the experiences of the peoples who opted for socialism, with its various experiences and popular revolutions in the world, have contributed to this long process that has shaped the characteristics of Sandino's people. The Sandinist project of mixed economy, political pluralism, genuine nonalignment, and participatory democracy attempts to sum up and materialize the Nicaraguan reality and the collective learning experience of the peoples of the world who have attempted to achieve self-determination, justice, and equality for their citizens, and international respect. [end recording]

BISHOPS VIEW AREA CONFLICT, CHURCH MEDIATION

PA202122 Panama City ACAN in Spanish 1843 GMT 20 Feb 85

[Text] Tegucigalpa, 20 Feb (ACAN-EFE) -- The Central American bishops meeting in Tegucigalpa today discussed possible mediation by the Catholic Church if the Contadora process fails. According to Msgr Marco Rene Robelo, the bishop of Santa Ana, El Salvador, "Contadora is not the only way to peacefully solve the controversies in the zone."

"The Catholic Church has moral power that is being used in the Salvadoran case to achieve an agreement," Msgr Robelo explained. Robelo is president of the Salvadoran Episcopal Conference. The prelate said that the church is not trying to replace Contadora, but that it could become an alternate forum if a solution is not attained through the planned routes.

"We work from the perspective of our identity, but we feel the Contadora dialogue should continue," Msgr Robelo said. The Salvadoran bishop immediately added that "Contadora is a political group and the church stays away from politics."

Mexico, Venezuela, Panama, and Colombia form the so-called Contadora Group, which seeks a negotiated solution to the Central American crisis through the signing of a general peace treaty.

The Central American bishops are meeting in study session in Tegucigalpa to discuss the global situation of refugees and persons forced to flee the region. It is hoped that when the meeting ends next Friday they will publish a document supporting the Contadora Group's efforts.

Jorge Mario Avila del Aguila, Guatemalan bishop from the Peten zone, said he hopes that "Contadora will solve the problem that emerged between Nicaragua and Costa Rica, and that the dialogue will be reestablished." Both countries are having problems because Nicaraguan authorities entered the Costa Rican Embassy in Managua to arrest Manuel Urbina Lara in open violation of the right to asylum, according to the Costa Rican Government.

"We understand that Central America has become an ideological battlefield between the world powers and the church, which is determined to support any process that will contribute to the area's pacification," said Avila del Aguila. The Guatemalan bishop said that in a recent meeting granted by Pope John Paul II to the Central American bishops, the head of the Catholic Church "invited the churches in the region to favor a dialogue that would lead to a peaceful solution of the regional crisis."

Meanwhile, Salvadoran Archbishop Msgr Arturo Rivera y Damas added: "Personally, I think that the option of a dialogue through Contadora should continue."

Rivera y Damas on Dialogue

PA201200 Panama City ACAN in Spanish 2101 GMT 19 Feb 85

[Text] Tegucigalpa, 19 Feb (ACAN-EFE) -- Msgr Arturo Rivera y Damas, the archbishop of San Salvador, here today accused "a group of Salvadorans who live in the United States" of obstructing the dialogue that the government and the guerrillas are holding in his country. Msgr Rivera y Damas, as president of the Central American Episcopal Secretariat, is attending a series of meetings in Tegucigalpa, during which the situation of more than 2 million refugees and displaced persons in the region is being analyzed.

He told the local news media that "despite the efforts of these Salvadorans in the United States to obstruct the negotiations, the talks should be resumed after 31 March." The mayoral elections scheduled for March, and "the conflict between the legislative and executive branches of the government of President Jose Napoleon Duarte are impeding the continuation of the talks," Msgr Rivera y Damas said.

"In El Salvador, it is not very noticeable [as received], but those who oppose the regime are definitely pointing to the results of the second meeting, which was held in Ayagualo, and arguing that the dialogue is leading nowhere. They are blaming President Duarte for the way the talks have turned out," Msgr Rivera y Damas said.

"The political opposition in El Salvador claims that the talks between the government and the guerrillas are leading nowhere, but that is just their view," Msgr Rivera y Damas added.

"As mediator in the talks, I know that they have been useful for both sectors and that this path will lead to a peaceful and political solution to our conflict," Msgr Rivera y Damas indicated. The other alternative, "the military alternative, after years of death and destruction, has proven to be absolutely unsuitable," he said.

"A solution can be reached through dialogue because we know the arguments of the opposition, which we have to overcome. It is not easy, but it is not impossible," Msgr Rivera y Damas insisted. "There have always been opposing views on the dialogue and whether or not to support President Duarte. I am personally in favor of the dialogue and would like to see everyone benefit from it," Msgr Rivera y Damas said.

He said that the official U.S. position on the talks between the government and the guerrillas is favorable, but, he added: "I really do not know that the real U.S. objective is."

Msgr Rivera y Damas said that even though a government has been elected in El Salvador, "the problem has not been solved, because the problem is not establishing a government elected by the people; the problem is war."

Representatives of the Salvadoran Government and the guerrillas met on 15 October in La Palma, in the northern part of the country, and on 30 November in Ayagualo, near the capital. The third meeting, which was supposed to be held at the end of January, was postponed.

BELIZE

BARROW SAYS NO AGREEMENT REACHED ON BRITISH TROOPS

PA211848 Paris AFP in Spanish 1514 GMT 21 Feb 85

[Text] Belmopan, 21 Feb (AFP) -- Belizean Foreign Minister Dean Barrow has said that the British Government has reiterated that it will maintain troops in Belize "for an appropriate period of time" and has refused to reach an agreement on this issue with Belize.

Shortly after taking over in December, the Belizean Government headed by Manuel Esquivel announced that it would seek more specific details from Great Britain regarding the length of stay of its troops in this country. However, Foreign Minister Barrow, who just returned from London, said that Prime Minister Margaret Thatcher told him that the previous administration had agreed to allow the British troops to stay in Belize for "an appropriate period of time."

During a press conference, Barrow said that he seeks a commitment from Great Britain to leave its troops until Belize solves its conflict with Guatemala, which is claiming part of Belizean territory.

As for talks carried out last week with the Guatemalan Government at the United Nations, Foreign Minister Barrow said he could not offer any information at this time, but he did say that "dialogue will resume shortly." Barrow said that although it seems the Guatemalan stand regarding its claim has become more flexible, "the Belizean Government's stand remains unchanged; we will negotiate nothing having to do with yielding our territory."

COSTA RICA

GUTIERREZ ON OAS AS ALTERNATIVE IN URBINA ISSUE

PA202345 San Jose Radio Impacto in Spanish 1830 GMT 20 Feb 85

[Text] Costa Rican Foreign Minister Carlos Jose Gutierrez has said that if the Contadora Group decides not to mediate between Costa Rica and Nicaragua regarding the problem of Jose Manuel Urbina Lara, Costa Rica will again resort to the OAS. In addition, the minister said that he has not yet received a response from the Nicaraguan Embassy in San Jose regarding the Costa Rican Government's demand that Nicaragua reduce its diplomatic personnel in Costa Rica.

[Begin recording] We have not received a response. From what I understand, what she [Nicaraguan Ambassador Leonor Arguello de Hupper] requested was an explanation of whether the Costa Rican demand included only diplomatic personnel. We pointed out to her that both diplomatic and consular personnel should be included in the figure mentioned in the demand. Other than this request for an explanation, I have no information on a response from the Nicaraguan Government. [end recording]

Yesterday, the Costa Rican Government demanded before the Sandinist Foreign Ministry that the Nicaraguan Government reduce Nicaraguan diplomatic personnel in Costa Rica to 10. This is one measure adopted as a result of Nicaragua's stance regarding the situation of Urbina Lara, who was under diplomatic protection at the Costa Rican Embassy in Managua.

MONGE REJECTS POSSIBILITY OF CREATING ARMY

PA211617 San Jose Radio Reloj in Spanish 1200 GMT 21 Feb 85

[Excerpt] During the opening session of the 13th meeting of the Latin American and Caribbean Council of the International Federation of Workers of the Metal Industry, Costa Rican President Luis Alberto Monge said: Faithful to our traditions, we reject all possibility of Costa Rica contributing to the area's arms buildup. He warned: We have strongly stated that our country will never create an army as a permanent institution. President Monge recalled: When the Army was abolished in 1949, we voluntarily and unilaterally disarmed, and will not go back on that historic decision. Monge also said that Costa Rica maintains its firm decision to continue contributing to the efforts for peace in Central America and the world.

In reiterating that our people love freedom and dialogue as a means to peacefully resolve controversies and that they respect international law, President Monge asked for support for Costa Rica.

In reiterating Costa Rica's adherence to these principles, I ask you, representatives of 14 million workers of the world, for your support and solidarity with this position of the Costa Rican Government and people, the president of Republic said. He stressed that our people are peaceful but very zealous in guarding their dignity, and added that Costa Rica always respects but also demands that it be respected.

When asking for the support of the world's democratic governments, parties, and organizations, President Luis Alberto Monge said: In this small corner of the heart of America, the future of democracy, social justice, and peace are at stake. The president said that Costa Rica will continue to defend these values, as it has always done, with the knowledge that we have the support and solidarity of all the world's democratic workers. The president again insisted that we need this support to face the effects of the serious regional and world economic crisis.

EL SALVADOR

TENORIO ON CONTADORA, FOREIGN TOUR, POLICIES

PA210321 San Salvador Radio Cadena Sonora in Spanish 1200 GMT 20 Feb 85

[Statement by Foreign Minister Jorge Eduardo Tenorio; date and place not given; recorded -- broadcast in progress]

[Text] ...We have faith that the Contadora process will continue; we have faith that it will not only continue but will emerge strengthened from these tests. The process must lead to a specific achievement, for the sake of peace and Central America's stability. When will this take place? This depends on many circumstances beyond our control.

I would also like to refer to another topic. Within the next few days, we will start a political-diplomatic tour with a small delegation, composed of the foreign policy director and myself. We will visit Latin American democracies which advocate the consolidation of pluralist democratic systems, such as Argentina, Uruguay, Brazil, Peru, and Ecuador. In these countries we will meet with presidents, foreign ministers, and other important representatives. The tour, as I said is for political-diplomatic reasons; it is not a social tour, and it will be carried out with the austerity which characterizes the government. However, we feel that this tour will be highly beneficial for our country.

We will have the opportunity to discuss our position regarding the Contadora process, the electoral process, the democratization process in El Salvador, the progress achieved in the country's internal reconciliation and peace process, and the process achieved regarding human rights and other topics, which are not always adequately reported abroad. Consequently, we can readily predict that this small tour will greatly benefit our country.

We also have important economic matters to discuss; commercial agreements will be signed in Argentina, Uruguay, and Peru. These commercial agreements will open new markets and perspectives for El Salvador. We will also discuss an immigration agreement with Argentina; this is an ambitious project and we want to step it up so that the first Salvadoran families may immigrate to Argentina this year. We believe that this immigration program, which is being carried out with aid from the Inter-governmental Committee for Immigration, and the Republic of Argentina, of course, involves great plans for our country and will solve our demographic explosion, because Argentina, in addition to being a marvelous country in many ways, is blessed with a vast amount of first-rate land.

The northern areas of Argentina have a climate similar to that in our country. These are some of the topics to be discussed there; we will not only discuss political and diplomatic topics, we will also discuss economic cooperation and the opening of new markets, in addition to immigration programs.

There are other topics, of course, which will be discussed at length; we will try to expand on them as much as possible. For example, you are well aware that El Salvador has been unjustly inspected, and I say unjustly because we are a democratic nation with a democratically elected president, by the United Nations regarding human rights. A resolution was issued last year and published by the local news media recognizing our progress; however, and this is our respectful view, the mere fact that a resolution was issued is an abuse against a constitutional democracy. We are working to eradicate that inspection, and we need the other democracies' support to eliminate it very soon.

There is another topic which I would like to discuss briefly regarding our policy toward the border delimitation with Honduras. I wish to reassert that the Salvadoran Government, through the national section of the Border Delimitation Commission, is working according to schedule with a firm willingness to carry forward the direct negotiations as we have been doing. We have always defended Salvadoran sovereignty, and the negotiating commission members have been duly instructed so that the delimitation process adjusts to our historic and immigration needs, and is aimed at safeguarding Salvadoran interests at all times. Our delegation will attend another meeting with the Mixed Border Delimitation Commission very soon, and it has been duly instructed on the guidelines I have mentioned. This summarizes the most critical topics of our foreign policy.

Regarding domestic issues, at the Foreign Relations Ministry, I want to tell you... [rephrases] Regarding heads of mission and ambassadors, you are well aware that we will carry out a slow, serious, and selective process in appointing our ambassadors. We do not want to hasten this process because we must seek professionals who fully identify with our national interests, for example [passage indistinct]. Thus, we will be filling all our missions with people who are ready to work for the country's interests. I also want to state: Foreign policy matters are national policy and involve the 5 million Salvadorans in this country, not only one person or one group. We are aware that we are working for our national interests. The overall interests of the Salvadoran people are at stake.

TENORIO, UNHCR OFFICIAL DISCUSS REFUGEE SITUATION

PA212322 San Salvador Radio Cadena Sonora in Spanish 1700 GMT 20 Feb 85

[Excerpt] Today, a mission from the United Nations Office of High Commissioner for Refugees, UNHCR, led by (Roberto Mueller), chief of the regional office for Europe and the Americas, met with Salvadoran Foreign Ministry officials Jorge Eduardo Tenorio and Ricardo Acevedo. It was reported that the purpose of the visit was to evaluate the situation concerning the thousands of Salvadoran refugees who are in different parts of Central America, Mexico, and the United States, as well as in other countries, and to learn some of the conditions specifically and directly affecting the refugees, such as problems related to their care, adaptation, settlement, repatriation, and so on.

This morning we went to the Foreign Ministry, where Foreign Minister Tenorio commented on the meeting with (Roberto Mueller), UNHCR chief for Latin America. Let us listen to the foreign minister's statement.

[Begin recording] We discussed the UNHCR's past and present assistance in the voluntary repatriation of refugees in different countries and viewed our specific situation regarding the thousands of Salvadorans who have had to leave the country due to well-known circumstances. I conveyed to Mr (Mueller) our concern and steadfast commitment to welcome all Salvadorans who wish to return to the country, which is their national home and their place. In addition, I conveyed to him the Salvadoran people's and government's thanks for the UNHCR's assistance. I also informed him of the measures the Salvadoran Government has taken toward that goal, the government's concern over the matter, and the installation of a specialized government agency headed by the vice minister of foreign relations to expedite the voluntary return of Salvadorans who wish to return to the country. [end recording]

FMLN LAUNCHES BUS ATTACKS IN CAPITAL, ELSEWHERE

PA211301 Madrid EFE in Spanish 0832 GMT 21 Feb 85

[Excerpt] San Salvador, 21 Feb (EFE) -- Salvadoran guerrillas attacked a truck full of policemen last night near the downtown area of San Salvador. This action ended the first day of an FMLN national ban on transportation. The FMLN members reinforced these actions yesterday by blowing up five power pylons in northwest San Salvador and totally destroying the mayor's office building in the eastern city of Yamabal.

According to reports, at least two policemen were killed in the attack. However, eyewitnesses reported that police casualties were "many." The attack occurred near the headquarters of the National Conciliation Party near Cuscatlan Plaza, close to downtown San Salvador. The guerrillas first fired a grenade launcher and then automatic rifles. According to police sources, the shooting lasted more than 2 hours.

Meanwhile, the FMLN reduced traffic by 60 percent in the eastern region and 75 percent in the northern region. Three buses were destroyed on the road linking San Salvador with the country's northern region. The guerrillas clashed with a military patrol on that same road. Five soldiers and a Honduran businessman were wounded in this action.

According to police sources, the FMLN dynamited five power pylons in northwest San Salvador yesterday, but the explosions caused no injuries.

HONDURAS

PAZ BARNICA DENIES BOYCOTT OF CONTADORA PROCESS

PA202230 San Pedro Sula TIEMPO in Spanish 20 Feb 85 p 3

[Text] Tegucigalpa -- Yesterday, Foreign Secretary Edgardo Paz Barnica said that neither Honduras, Costa Rica, nor El Salvador is boycotting the Contadora peace efforts for Central America, even if the plenipotentiaries meeting called by the Contadora Group was canceled because of them.

In statements to TIEMPO, Paz Barnica said that Nicaragua has always accused these countries of boycotting the peace efforts and that it will continue to do so. When questioned regarding statements by the Sandinist authorities that Costa Rica, Honduras, and El Salvador did not attend the plenipotentiaries meeting at the orders of the U.S. Government, Paz Barnica reiterated: "Honduras is not boycotting Contadora, neither is Costa Rica, and as far as I know, neither is El Salvador."

Paz Barnica insisted that the United States and its allies in Central America have common democratic interests.

He said that the cancellation of the plenipotentiaries meeting was only a pause in the peace efforts and that talks and negotiations will resume as soon as the Nicaraguan Government resolves the asylum problem with Costa Rica. Paz Barnica said that Honduras is supporting Costa Rica in this conflict "because it is Honduras' duty to defend the right to asylum.

He said that "Nicaragua can resolve the problem by releasing the youth Manuel Urbina to the Costa Rican authorities, who claim that he was taken to the Sandinist police from the Costa Rican Embassy in Managua, where he had gone to request asylum.

However, the Sandinists say that Urbina was captured outside the Costa Rican Embassy. Paz Barnica said that Nicaraguan President Daniel Ortega Saavedra had promised the Contadora Group that he would resolve the problem, but apparently Tomas Borge, who ordered Urbina's arrest, is against it. Paz Barnica did not say from whom he obtained this information; he only said he obtained it in Costa Rica.

RODISTA MOVEMENT NOMINATES MEJIA FOR PRESIDENT

PA201750 Tegucigalpa Televisora Hondurena in Spanish 0130 GMT 20 Feb 85

[Text] Last night Oscar Mejia Arellano officially became a presidential candidate. The directorate of the Rodista movement [Liberal Party group headed by Modesto Rodas Alvarado] presented to Mejia Arellano a decree issued in La Paz last Friday by the special Rodista assembly. Mejia Arellano said he hopes he will not disappoint the Rodistas.

[Begin recording] [Reporter] Last night lawyer Oscar Mejia Arellano was officially designated as presidential candidate of the Rodista movement. The decree naming him was presented to him by all the members of the central directorate, led by their spokesman, Rafael Pineda Ponce.

[Pineda Ponce] Considering that Oscar Mejia Arellano is a Liberal of ample militancy with an unblemished and honest record, a friend of all Liberals, and therefore a uniting factor for the members of the great Liberal Party of Honduras, it is therefore decreed that:

Article 1: Oscar Mejia Arellano is proclaimed the official presidential candidate of the Rodista Liberal movement.

[Mejia Arellano] [Word indistinct] with a citizen's (?humility), this decree whereby the national Rodista assembly nominates me as their presidential candidate. You can all rest assured that I will make every effort to lead the Liberal Party of Honduras to victory. [end recording]

We now have the reaction of Jose Azcona del Hoyo, who is also a [Liberal Party] presidential candidate. He feels that the decision will be made at the convention. He trusts that it will be the convention delegates who choose the party candidate.

[Begin recording] [Azcona] We attach very little importance to this announcement because it is not important. It has been said that the assembly was illegal and I think this is the truth. Furthermore, it is not important because the party's nominee will be elected at the national convention by the party's top officials. Therefore, Oscar Mejia Arellano's nomination, unfortunately for him will not go far.

[Reporter] But he has been officially nominated by the movement.

[Azcona] The party's official nominee is selected at the national convention by delegates gathered for this purpose at a special assembly. This is only a nomination established by a group that has tried to make it official through the Rodista movement. Unfortunately, this group did not meet with the entire Rodista movement body. Because it excluded distinguished Rodista Liberals, it does not have sufficient authority to [word indistinct] at the assembly so that the delegates will vote for him. The Liberal Party delegates know that they are the only ones who can legitimately chose the party's nominee. [end recording]

CODECO MEMBERS REFUTE PLH CHARGES ON COUP

PA191738 Tegucigalpa Voz de Honduras Network in Spanish 1140 GMT 13 Feb 85

[Press conference held by members of the Democratic and Constitutionalist Opposition Coordinating Board, Codeco, with local news media in Tegucigalpa on 13 February, with unidentified moderator — live or recorded]

[Excerpts] [Moderator] To begin the question and answer session, we will give the floor to journalist Javier Gabino Villalobos, representing Honduran National Radio and LA PRENSA.

[Villalobos] In his statement, Enrique Aguilar [leader of the National Innovation and Unity Party, PINU] said that the document made public by the Central Executive Council [CCE] of the Liberal Party of Honduras, PLH, is of dubious authority. Nevertheless, yesterday, PLH leader Romualdo Bueso Penalba said at the presidency that the names will be published. Are the members of Codeco sure that their names are not linked to the alleged coup plot?

[Moderator] Enrique Aguilar will reply to the question asked by journalist Javier Gabino Villalobos.

[Aguilar] We demanded the names of the individuals involved in drafting or preparing the document twice during this press conference. I have made it clear that the Coordinating Board is made up of political institutions that have no responsibility whatsoever in drafting that document. On the contrary, we have said that the spirit of that document is anticonstitutional and is completely against the principles of a lawful state and absolute respect for the Constitution contained in Codeco's constitutive letter. I want to stress the following: The Honduran people should know the names of the persons or organization allegedly involved in or responsible for drafting that document.

[Moderator] The next question will be asked by journalist Marco Tulio Romero of LA PRENSA.

[Romero] In his statement, Jose Enrique Aguilar said that the document was not drafted after the Coordinating Board was formed, which means that it is an old document. We would like to know what details you have about the origin of this document, because yesterday, in a series of contradictions that we could not understand, Romualdo Bueso Penalba told the main leaders of the PLH CCE that members of the Association for the Development of Honduras, APROH, were involved in this incident, which further confused the Honduran people. In addition, it has also been said that a ranking military officer has reportedly been making plans for a civilian-military government to replace Roberto Suazo Cordova's regime.

[Moderator] Hernan Corrales Padilla [leader of the Honduran Christian Democratic Party, PDCH] will respond to journalist Marco Tulio Romero.

[Corrales Padilla] As journalist Romero noted, Enrique Aguilar has said that he attended a meeting last night, during which the president of the PLH CCE said that he knows the names of some persons involved in drafting the document in question. Therefore, it is the responsibility of that organization, particularly its leader, to announce those names, as we have demanded twice here tonight. The fact that Aguilar Paz has said that the document was drafted some time ago, in an attempt to relate it to the creation of the Coordinating Board, undoubtedly means that he has an idea about when the document was issued. I must say that I have learned through a friend that this document was drafted in December. This is all I know, I do not know the text of the document; I did not participate in drafting it. I do not encourage it; I reject it because I reject an institutional collapse in Honduras. Therefore, I invite the PLH to reply to journalist Romero, to the entire Honduran press, and most of all, to the Honduran people.

[Moderator] The next question will be asked by journalist Sanchez Turcios of LA TRIBUNA and Honduran National Radio.

[Sanchez Turcios] I would like to address my question to Carlos Roberto Reina [leader of the PLH faction Liberal Revolutionary Movement, M-LIDER]. In view of the fact that the PLH CCE has published a manifesto banning your organization's use of the Liberal Party's name and disavowing any affiliation of the M-LIDER with that political party, how is your faction represented within Codeco?

[Moderator] Carlos Roberto Reina will reply to journalist Sanchez Turcios.

[Carlos Roberto Reina] I think there is something inexact in the question. The PLH Executive Council has only warned that the M-LIDER cannot use the word Liberal in its name as long as it is not registered with the CCE as a faction. I think that this is an aggressive and immature position. The fact that the government is attacking our movement shows that we are a political force. It also shows that the PLH rank and file support it. We cannot abandon the philosophy we have defended for many decades, and the party's rank and file will decide who represents them better in this traditional political organization. Furthermore, the CCE is illegal because it emerged from fraudulent elections and is the result of the use of dictatorial tactics that are offensive to dignity and violate basic constitutional principles, international treaties, and human rights. Therefore, they have no moral authority to determine who should be Liberals and who should not. This situation is absolutely clear. I am going to ask Jorge Arturo Reina, the M-LIDER's president to further clarify this situation.

[Moderator] Jorge Arturo Reina, M-LIDER's president.

[Jorge Arturo Reina] I have very little to add to what the movement's coordinator Carlos Roberto Reina has said. The Honduran people, particularly the Liberals, know that to be a Liberal in the current situation in Honduras does not mean having a free hand in using the party's funds. Nor does it mean having the authorization to distribute identification cards or to take advantage of the historical struggle of the PLH. To be a Liberal in Honduras means to follow the traditions of the PLH.

These decisions, these announcements by the CCE indicate impotence. They are used only to start fights between tied donkeys and loose tigers. They have tied us down on all sides. They have closed all our paths, yet they still get angry because we defend ourselves, because we put up a fight, because even though we are tied down, we can deal harder blows to them than anyone else has done so far in the history of Honduras. And we are ready to continue to do this.

[Moderator] Eduardo Maldonado of EL HERALDO.

[Maldonado] The problems or lack of unity of the political parties result from the fact that party interests and ambitions are not put aside. Codeco is comprised of the four legally registered political organizations. When this organization was first founded, it was announced that a so-called electoral alliance might be sought. Does Codeco still feel that the way to improve our country is to have an electoral alliance? Is it already making plans in this connection?

[Moderator] The answer will be given by Dr Carlos (Sosa), of the PINU.

[Sosa] Thanks you very much, gentlemen of the media, Honduran people. Political developments are not situations that happen overnight. They result from processes which sometimes take a long time. The Codeco has begun a process that I believe has three phases. This does not mean that going through the first or first two of these phases will necessarily lead to subsequent steps.

This first stage is not the result of speculative minds, as we did not make up this Coordinating Board, we merely responded to a historical need to put an end to fatalism here in Honduras, to the idea, the fallacy, which some seek to transmit to our people that the president of the Republic will appoint his successor as they used to do in the European monarchies or in the pre-Columbian tribes. This is democratic country and this is the people's response to imposition, to fatalism, to the refusal by some sectors to allow the Honduran people to become the architects of their own history, of their own democratic destiny. So this is not something we have made up. We have led this movement, but we are being pushed from behind. It was you, gentlemen of the press, who first reflected this concern among the Honduran people and began speculating about the need to create a broad opposition front in this country. The citizens, the popular organizations, expressed their views in this regard. So we are here in response to a clamor from our respective rank and file members.

In the case of PINU, in the Choluteca Proposal of 25 November 1984 and through Dr Enrique Aguilar, we issued an appeal to PINU members, Christian Democrats, Liberals and Nationalists, urging them to help us in a broad movement for the recovery of the country's dignity to struggle against backwardness and dependence and eventually organize a government of national consensus. This, then, is merely the historical and popular response to an appeal by the PINU and at various other times by the other organizations represented here. It is up to you, Hondurans, and to us, compatriots, to turn this organization into an electoral front. At this point, we are not considering the idea of forming an electoral front, but we are not opposed to the idea.

However, what is indeed true is that this Coordinating Board is finishing off, has already partially finished off, and will eventually completely wipe out, in less than 1 year, the personal dictatorship of the PLH, with which we in no way identify.

BRIEFS

SALVADORAN ENVOY PRESENTS CREDENTIALS -- Tegucigalpa -- Dr Ernesto Arrieta Peralta, new Salvadoran ambassador to Honduras, presented his credentials to Honduran Foreign Secretary Edgardo Paz Barnica Thursday afternoon. During the special meeting, the Salvadoran ambassador and the Honduran foreign secretary talked at length about matters of interest to the two countries. In the next few days the new ambassador will present his credentials to Honduran President Roberto Suazo Cordova. [Summary] [San Pedro Sula TIEPO in Spanish 11 Feb 85 p 8 PA]

NICARAGUAH. ORTEGA ON U.S. POLICY, AMNESTY, MOBILIZATION

PA210421 Managua BARRICADA in Spanish 20 Feb 85 p 7

[Excerpts] Defense Minister Humberto Ortega considers Nicaragua, as well as Honduras, El Salvador, and Costa Rica, to be victims of the Reagan administration. Referring to the last three countries, Ortega noted that their problems and political, economic, and social weaknesses lead them to support the U.S. policies of aggression. Should the United States adopt an effective position for the peaceful solution to Nicaragua's problems, these three nations would have to take that into consideration and adopt themselves to the new policy.

Ortega said that El Salvador has compromised its situation by supporting the counter-revolutionaries, particularly with air support. However, the minister did not blame the government for this. He said that the Somozists try to involve these three nations in the aggression.

Humberto Ortega termed positive the effects of the amnesty law, which hundreds of counterrevolutionaries have already accepted and which is already causing the break-down of morale in its ranks.

He explained that in view of the failure of their big plans, many counterrevolutionaries became disillusioned and found themselves at a dead end. The amnesty law offered them a way out and, together with the blows being inflicted by the Sandinist People's Army [EPS] troops, has become another demoralizing element for the Somozist forces.

Ortega pointed out that the counterrevolution failed to change the EPS' general consolidation plans, which have continued. He added that this year the EPS forces will continue this consolidation and if the same pace as that maintained in the early part of the year continues, they expect to inflict other heavy blows on the mercenary forces which in 1986 will be forced to adopt a passive defensive position, the precursor to total annihilation.

In this respect, he revealed the organization of a huge mobilization of militias and reserves to withstand the encircling operation of the mercenaries, while the specialized troops will take a more active part in combat.

The minister reported that the Sandinist specialized troops are studying some U.S. military techniques. In this respect, he affirmed that the U.S. Army is not bad, militarily speaking, and that its setbacks are due to its involvement in unjust causes.

He added that if that same U.S. Army defends its country's sovereignty, he is certain it would always emerge victorious. Going back to U.S. tactics, he said that the Nicaraguan specialized forces resemble the U.S. Rangers, but with a just cause.

The minister was accompanied to Chinaandega by Commander Joaquin Cuadra, deputy defense minister; Brigade Commander Hugo Torres, chief of the EPS Political Directorate; Commander David Blanco, delegate of the zone's minister; Commander Alonso Porras, regional government delegate; and Marta Cranshaw, FSLN political secretary in the region, among others.

USSR COMMUNICATIONS MINISTER DISCUSSES COOPERATION

Arrives 14 Feb

PA150033 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 14 Feb 85

[Text] Vasily Aleksandrovich Shamshin, USSR Communications minister and president of the USSR-Nicaragua Friendship Society, arrived in Managua this morning.

During his stay in the country, the visitor will exchange views with officials at the Nicaraguan Association of Public Administration [ANAP]. In addition, he will participate in the commemoration of the 40th anniversary of the victory over fascism.

Minister Shamshin said that his visit shows the USSR-Nicaragua Friendship Society's and the USSR's deep feelings for the Nicaraguan people.

The Soviet delegation was welcomed by Companera Socorro Galan, ANAP secretary, and USSR Ambassador to Nicaragua German Yevlampieyevich Shlyapnikov.

Meets TELCOR Minister

PA190413 Managua Radio Sandino in Spanish 1830 GMT 18 Feb 85

[Excerpt] The first steps toward future cooperation, such as the installation of a satellite communications station and radio stations, were taken during the talks held here between USSR Communications Minister Vasily Shamshin and Nicaraguan Telecommunications and Postal Services [Telcor] Minister Jose Maria Alvarado.

Shamshin, who is also president of the USSR-Nicaraguan Friendship Society, made this announcement during a brief press conference yesterday. During his visit, Shamshin talked with the leaders of the revolution about the revolutionary process. Shamshin said that the members of his delegation and the Soviet people support Nicaragua in its struggle for peace. He also criticized the aggressions against Nicaragua.

Inter-Sputnik Station Planned

PA201437 Managua Radio Sandino in Spanish 0000 GMT 20 Feb 85

[Text] A cooperation agreement between the Soviet Communications Ministry and Telcor was signed during the visit of USSR Minister of Communications Vasily Shamshin to Nicaragua. This agreement involves cooperation to install an inter-Sputnik earth station that would facilitate communications with socialist countries. Telcor Deputy Minister Captain Bayardo Altamirano elaborated on this:

[Begin recording] [Altamirano] Comrade Shamshin, the USSR minister of communications, showed great determination to facilitate all the necessary assistance to develop the inter-Sputnik project. This project involves the establishment of an earth station in the vicinity of Nejapa Lake. It would link us to the socialist countries through 24 communication channels.

This is a necessity in light of our constantly growing relations with the socialist countries, and would give us an efficient and quick means to communicate with them. This project will be finalized this year; we hope to install the inter-Sputnik earth station next year.

[Reporter] What kind of aid will the Soviet comrades give us? Does it involve financing and technical training?

[Altamirano] Yes, they will finance the 3-million ruble project; that is the value of the equipment to be installed. Nicaragua will construct the installation and [words indistinct] for the installation of the Soviet-made equipment. In dollars, this project involves approximately \$3.5 million.

[Reporter] What about technical resources?

[Altamirano] Well, I could mention personnel training; they will supply us with all the necessary training as is customary when new equipment is installed. [end recording]

ARDE SUPPORTS EFFORTS TO UNIFY CONTRA FORCES

PA181513 San Jose LA REPUBLICA in Spanish 9 Feb 85 p 4

[Advertisement paid for by the "Executive Directorate" of the Nicaraguan Democratic Revolutionary Alliance, ARDE, under the leadership of Commander Fernando Chamorro, in "Central America," on 8 February]

[Text] The Nicaraguan Democratic Revolutionary Alliance (ARDE) hereby expresses its wholehearted support of the efforts to unify Nicaragua's democratic opposition currently promoted by Arturo Cruz, Alfonso Robelo, and Adolfo Calero.

The FSLN, with the unqualified support of the USSR, Cuba, Libya, Iran, and other communist nations, is jeopardizing the future of Central America, particularly Nicaragua.

The only way to resolve this crisis and arrest the intervention of Soviet imperialism and its Cuban lackeys is to unify all democratic sectors of Nicaragua with the strong support of Central and South American countries.

The suffering of the Nicaraguan people demands that we unite. It is time to think in terms of our country, not of personal ambitions or revolutionary positions that to date have only postponed Nicaragua's liberation.

BRIEFS

FRG ORGANIZATION DONATES MEDICINE -- More than 2 million cordobas worth of medicine and medical equipment have been donated to the Nicaraguan Health Ministry by a non-governmental FRG organization for medical development. FRG health workers collected donated medicine and equipment in accordance with a list submitted by the Nicaraguan Health Ministry. [Summary] [Managua Radio Sandino Network in Spanish 1200 GMT 13 Feb 85 PA]

FIRST GROUP OF CUBAN CITIZENS RETURN FROM U.S.

FL221140 Havana Domestic Service in Spanish 1100 GMT 22 Feb 85

[Text] In accordance with the agreements on normalizing Cuban-U.S. immigration procedures, a group of Cuban citizens who had been in the United States have arrived in Havana.

Persons returning to Cuba will undergo an investigation and a rigorous medical checkup for a required period of time to determine their health status. Each person will be given an individual evaluation of his activities since leaving the country. Each person, in accordance with revolutionary standards and independent of any legal responsibility for actions he may have committed in the United States, will receive a humane and respectful treatment.

The people will be treated in accordance with policies explained by Fidel during his televised speech in which he described the talks and agreements which have been reached with the United States on immigration matters between the two countries.

It was also reported that it is evident the U.S. officials are facing some problems in returning these people to Cuba because of legal procedures undertaken by representatives of several of these citizens.

'OUR AMERICA' SCORES REAGAN RADIO ADDRESS

PA212012 Havana International Service in Spanish 2310 GMT 20 Feb 85

["Our America" commentary]

[Text] Washington's intentions to use force against the Nicaraguan revolutionary process and the preference for a military solution to the Central American conflict were reiterated by President Ronald Reagan in his radio address delivered last Saturday from his Santa Barbara ranch in California.

Observers have termed this speech against Nicaragua as the most virulent of recent times. In this speech, Reagan primarily sought to obtain the congressional approval of new funds to support the Somozist counterrevolutionary groups which are operating against the people.

We all know that the U.S. Congress last year froze financial assistance to the Nicaraguan counterrevolution, a decision completely disregarded by the White House, which has resorted to the most varied means to provide logistical support and advice to the mercenary groups.

Ronald Reagan was careful not to use the expression military support in his speech. Instead, he used the expression financial funds. He also said that by supporting the so-called Nicaraguan patriots, the Sandinist government would be forced to sit down at the negotiating table. No doubt that statement must have surprised the impartial observers and raised many eyebrows among skeptics, who still recall that it was Washington that decided to unilaterally suspend the Manzanillo talks with Nicaragua.

When the talks were suspended, strong pressure was exerted to sabotage the Contadora Group's mediation efforts, as some of the foreign ministers of the nations that comprise Contadora -- Mexico, Panama, Colombia and Venezuela -- disclosed.

Perhaps the most insulting aspect of Reagan's speech was the gross comparison of the Somozist henchmen, who are massacring their own peasants, women and children, to the intrepid and brave soldiers led by the liberator, Simon Bolivar, in his struggle against Spanish colonialism.

To justify his demand for open support of the Nicaraguan counterrevolution, President Reagan called the mercenary bands brothers of the North American Democrats. In his warmongering language, Reagan said that if the Sandinist are not stopped now, they will spread communism to El Salvador, Costa Rica and Honduras.

The onslaught on the Sandinist revolution continues, and as in the case of Cuba, Reagan tries to blame Nicaragua for some of the evils currently facing U.S. society. He said this to try to gain the people's support. For example, he said that Nicaragua is smuggling drugs into the United States to destroy the youth of the United States. The truth is that the biggest drug traffickers can be found among the government officials of the regimes and dictatorships in Latin America that the White House has protected for decades and that have close links with the Mafia operating in the United States.

President Reagan also made a historical reference in his attempt to obtain support for increased U.S. intervention in Nicaragua. He said that to support the mercenaries was not only legal but absolutely consistent with U.S. history.

He said that the United States was in a similar position as the contras when the French Government came to the aid of the 13 colonies in their liberation war against the British monarchy.

Meanwhile, Thomas O'Neil, speaker of the House of Representatives, said in Washington that the anti-Sandinists were a bunch of rogues and that Congress would not approve one cent to finance their activities.

Whether or not he obtains his objectives, Reagan's speech confirms the White House's intention to destroy the Sandinist revolution and subdue the Nicaraguan people by force, which will only increase the tension and crisis in Central America. If this should happen, Washington alone will be responsible for the outcome of an unwise, bloody, and unrealistic attitude.

ENTRY INTO INTERNATIONAL COFFEE AGREEMENT NOTED

AB212035 Paris AFP in English 1800 GMT 21 Feb 85

[Text] Abidjan, Feb 21 (AFP) -- Cuba has joined the 1983 international coffee agreement as an exporting member, the inter-African coffee organization's secretariat said here today. Cuba's entry brought the membership of the international coffee organization to 75, comprising 50 exporting and 25 importing countries.

EDUCATIONAL INITIATIVES SEMINAR CONTINUES

FL211744 Havana Television Service in Spanish 1230 GMT 21 Feb 85

[Text] Jose Ramon Fernandez, vice president of the Council of Ministers and education minister, last night attended a seminar on Caribbean network of educational initiatives being held at the Palace of Conventions. The seminar began on 15 February and is being attended by delegates from 12 countries, including Cuba.

The seminar participants learned about the Cuban experience in incorporating productive work into general education.

FRENCH CP DELEGATION VISITS CIENFUEGOS

FL202136 Havana Domestic Service in Spanish 1926 GMT 20 Feb 85

[Text] Henri Krasuki, member of the Politburo of the French Communist Party and secretary general of the General Confederation of Workers, has visited various installations in Cienfuegos and met with the Secretariat of the Central Organization of Cuban Trade Unions [CTC] and [words indistinct]. Roberto Veiga, secretary general of the CTC, accompanied the French party leader during his visit to Cienfuegos. Henri Krasuki and the delegation accompanying him were given explanations of the work done by the trade unions in the Province of Cienfuegos. The visitors inspected the thermonuclear plant being built in Cienfuegos and the 5 September agro-industrial complex, in the town of Rodas.

MACHADO PRESIDES OVER SUGAR MILL INAUGURATION

FL200230 Havana Domestic Service in Spanish 0000 GMT 20 Feb 85

[Text] Jose Ramon Machado Ventura, Politburo member, has presided over the inauguration of the new Battle of Santa Clara Sugar Mill, the first built by the revolution in Villa Clara Province. The new mill was built at a cost of over 62 million pesos, with the aid of Soviet and East German consultants.

The mill has a potential capacity of 600,000 arrobas of sugarcane and a production capacity of 700 metric tons of raw sugar. Seventy percent of its components were made in Cuba, and only 8 percent of the mill was imported from capitalist nations.

ROCA PRESENTS CIVIL CODE DRAFT TO FLAVIO BRAVO

FL161444 Havana Domestic Service in Spanish 1100 GMT 16 Feb 85

[Text] In Havana, Politburo member Blas Roca has presented the draft of the civil code to Flavio Bravo, Central Committee member and president of the National Assembly of the People's Government. Flavio said that a special commission headed by Blas Roca had worked for 2 years on the draft, which will be fully discussed and, in time, studied and approved by the National Assembly.

Blas spoke of the importance for Cuba to have this code which is in accordance with the new reality of the revolution. He also mentioned clarity of its language and the importance in using the code as a working tool. The other members of the commission pointed out the presence of Blas's thought in each article, and his role as a pioneer in the institutionalization of the nation.

PROFESSOR EMERITUS NAMED AT SCHOOL CEREMONY

FL211704 Havana Television Service in Spanish 1230 GMT 21 Feb 85

[Text] Dr Raul Dorticos Torrado has received the special distinction of professor emeritus at Havana's Institute of Higher Education of Medical Sciences during a formal ceremony. Politburo members Jose Ramon Machado Ventura and Sergio del Valle Jimenez, public health minister, attended the ceremony.

SECOND NATIONAL ASSEMBLY OF FMC-FAR FRONT HELD

FL211330 Havana Television Service in Spanish 0100 GMT 21 Feb 85

[Text] The second national assembly of the Federation of Cuban Women-Revolutionary Armed Forces Front [Frente FMC-FAR] has been held with Vilma Espin attending. Espin is an alternate member of the Politburo and FMC president. Also attending were specialists of the provincial FMC-FAR Front, and comrades from the Ministry of the Interior and the Ministry of the Revolutionary Armed Forces, who studied the achievements and deficiencies of the work done in 1984.

Of the subjects debated, military service for women and the contribution of women to the Territorial Troops Militia received special attention from those participating in the assembly.

FAR COMMEMORATES 67TH ANNIVERSARY OF SOVIET ARMY

FL220204 Havana Television Service in Spanish 0100 GMT 22 Feb 85

[Text] The main FAR ceremony commemorating the 67th anniversary of the founding of the Soviet Army was held in the FAR Universal Hall. Division General Senen Casas Regueiro, first vice minister of the FAR, presided over the ceremony. Division General Rogelio Acevedo spoke for the Cubans, and Major General (Mikhov Petr Fedorovich) spoke for the Soviet side.

GENERAL DISCUSSES FAR'S SPARE PARTS PRODUCTION

FL211840 Havana Domestic Service in Spanish 1145 GMT 21 Feb 85

[Text] Politburo member Pedro Miret Prieto yesterday closed the national balance of reports meeting on work in spare parts, and described it as fruitful due to the results achieved in 1984.

He said the meeting had specified this year's objectives for increasing the manufacture and repair of higher quality parts and for substituting and reducing the use of capitalist imports.

Miret recalled that the spare parts movement had started in February 1980, and earned 98 million pesos, and that on arriving at its fourth anniversary, this figure had increased 4 and 1/2 times. He stressed that the most important result was the consciousness developed by the workers in this sector vital to the development of the economy.

After calling for increasing the recuperation of heat-resistant parts, Miret said:

[Begin recording] Neither the successes or advances which have taken place preclude us from observing, recognizing, and readying ourselves to confront and resolve the numerous problems and deficiencies which we still have. [end recording]

Among these, he said, were the underuse of productive resources, insufficient resources for manufacturing cutting tools, and a lack of trained skilled personnel and the information they need.

Miret then said:

[Begin recording] Without question, we need collective action of an even greater effort which will, within material limitations, lead us to solutions which will be beneficial to our work. [end recording]

Lastly, Miret announced the convocation of the third forum on manufacturing and restoration of spare parts in February 1986, which will have as its objective supporting the commander in chief's statements on import substitution and development of parts.

Before the 1984 national assembly on spare parts ended, we took advantage of talking with Brigadier General Francisco Cruz Bourzac, alternate Central Committee member and vice Revolutionary Armed Forces [FAR] minister for armament and technology.

[Begin recording of interview of Brigadier General Cruz Bourzac by unidentified reporter]

[Question] Comrade General, we know the Armed Forces work in repairing and manufacturing spare parts grew 43 percent in 1984. Can you tell us what objectives you have outlined so the FAR will complete its 1985 production quota?

[Cruz Bourzac] The Armed Forces' manufacture and production of spare parts is a vital matter for us to resolve our defense needs. We still have work ahead of us. This will be to industrialize the manufacturing of spare parts to resolve the FAR's problems specifically, and in general, to resolve the national economy's problems in reducing imports based on the principle of resolving the FAR's problems and those matters which are common to both the FAR and the national economy. Also planned is resolving some matters inherent to the economy itself, within our productive capabilities. We have given ourselves the task, in this 5-year period, to finish repairing spare parts. This is a task which will begin at the ground level, at the troops workshops with low level equipment, to the military industrial enterprise level where they have more complex technological equipment. This will encompass all levels in the Armed Forces and repairing and manufacturing spare parts in accord with the equipment and technology which our workshops and industries possess. These are in general the goals we have for this 5-year period. [end recording]

SCRAP METAL SUPPLIERS TO GET CASH INCENTIVES

FL211906 Havana Domestic Service in Spanish 1700 GMT 21 Feb 85

[Text] The Havana raw materials recycling enterprise has put into practice an incentive plan for suppliers of metal, having the required quality, to guarantee the completion of the 1985 plan. This mechanism specifies that those who deliver steel, aluminum, and copper scrap metal will receive respectively (?100,) 120, and 150 pesos more than the standard price for each additional ton of metal.

CATTLEMEN TAKES MEASURES TO COUNTERACT DROUGHT

FL181800 Havana Domestic Service in Spanish 1533 GMT 18 Feb 85

[Text] Over 1,200 animals will be held in temporary pens at sugarcane gathering centers to utilize residues, as a contingency plan put together by Santiago de Cuba's cattlemen to counteract the effects of the drought that has affected the province for the past 3 years.

A campaign is under way to obtain 61,600 metric tons of food, by collecting the ends of sugarcane, the extraction of molasses, froth, fine bagasse, coffee residues, liquid fodder, and green fodder, among other products.

This will feed an average of 169,500 head of cattle. Tanks, wells, and hydraulic installations are being built to provide water for them.

Santiago de Cuba cattlemen are also paying special attention to their livestock, the organization of the herd, feeding times, and sanitary control.

GRENADAAGRICULTURE MINISTER ON LOAN CANCELLATION

FL201800 Bridgetown CANA in English 1638 GMT 20 Feb 85

[Text] St. George's, Grenada, Feb 20, CANA -- The Grenada Government will ask the Caribbean Development Bank (CDB) to cancel the remainder of a 2.7-million U.S. dollar loan to a financially troubled corporation running state-owned estates here and help in the creation of model farms, according to Agriculture Minister George Brizan. Addressing senior Ministry of Agriculture officials, Brizan said the State Farms Corporation (SFC) had spent only about one million EC dollars (one EC dollar: 37 cents U.S.) of the CDB loan. The government wanted to have the remainder of the loan cancelled and to present the CDB with a plan for creating model farms on the 25 SFC-run estates, Brizan reported. Once we have presented this plan to the CDB, he said, we should request the release of the 23 estates that have been used as collateral for the loan and, whatever funds have been drawn down on the loan so far, we will then agree with the CDB on a rescheduling repayment plan. What the government wanted, he explained, was to maximise production on the estates and to reduce the cost of maintaining them.

According to Brizan, the corporation, set up by the leftist People's Revolutionary Government (PRG), has not been operating satisfactorily and appears to be a bottomless well into which money can be thrown. Brizan said that between 1981 and 1983, the corporation lost 3.4 million EC dollars. I don't have the figures for 1984, but indications are that the situation may be even worse.

Most of the farms run by the corporation came into state ownership through forced acquisition by both the Eric Gairy government and the PRG, which toppled Gairy in 1979. Government officials say many of them have not been paid for and their former owners have claims against them.

In 1983, there were 34 state farms with a total acreage of 1.15 [figure as received], Brizan said. Thirteen of these farms, totaling 1,600 acres, have no claim pending. Twelve have claims pending and they total 2,559 acres. Brizan said that of the 12 estates which have not been paid for six former owners want their land back, while the others want to be paid. During 1984, he said, nine farms totaling 2,997 acres were given back to the previous owners and 25 farms totaling 4,159 acres remain under the corporations management.

JAMAICASEAGA ON CLOSING OF ALCOA MINING OPERATION

FL220020 Bridgetown CANA in English 1957 GMT 21 Feb 85

[Text] Kingston, Jamaica, Feb 21, CANA -- Jamaica's Prime Minister Edward Seaga today described as shocking and reprehensible the manner in which Alcoa went about the indefinite shut-down of its 800,000-tonne alumina refinery here. I can't describe it in any other terms, Seaga told journalists, as he complained about the fact that the company gave the government only 20 days notice.

The Alcoa plant stopped operating yesterday following the public announcement of the plan on February 6. The company said its action was because of a soft market for alumina and an over supply in the world. The American transnational had been mining bauxite in Jamaica for 25 years and opened its refinery in the early 1970's.

Seaga said that his government first heard of Alcoa's plan on the streets and decided to call in officials, who confirmed the intention. Seaga said his administration was putting behind it the company's offensive and arrogant decision and seeking to develop alternatives for the earnings which will be lost from the closure. The administration has estimated that Alcoa's action will leave a gap of U.S. 40 million dollars in foreign exchange earnings and a further U.S. 25 million dollars in the budget now being prepared for the fiscal year starting in April.